



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

June 5, 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. (FEI or the Company) – Fort Nelson Service Area (Fort Nelson)
Gas Cost Reconciliation Account (GCRA) and Commodity Cost Recovery Charge
2019 Second Quarter Gas Cost Report

The attached materials provide the FEI 2019 Second Quarter Gas Cost Report for Fort Nelson (the Second Quarter Report) as required under the British Columbia Utilities Commission (BCUC) guidelines.

GCRA and Commodity Cost Recovery Charge

Based on the five-day average of the May 17, 21, 22, 23 and 24, 2019 forward prices (five-day average forward prices ending May 24, 2019), the June 30, 2019 GCRA deferral balance is projected to be approximately \$189.9 thousand surplus after tax (Tab 1, Page 2, Column 14, Line 39). Further, based on the five-day average forward prices ending May 24, 2019, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending June 30, 2020, and accounting for the projected June 30, 2019 deferral balance, the GCRA ratio is calculated to be 148.1% (Tab 1, Page 1, Column 4, Line 9), which falls outside the 95% to 105% deadband. The tested rate decrease that would produce a 100% commodity recovery-to-cost ratio is calculated to be \$0.504/GJ (Tab 1, Page 1, Column 5, Line 27), which falls outside the \$0.50/GJ minimum rate change threshold. The results of the two-criteria rate adjustment mechanism indicate a rate change is required to the commodity cost recovery charge, effective July 1, 2019.

The schedules at Tab 1, Pages 2 to 4 provide details of the recorded and forecast (based on the five-day average forward prices ending May 24, 2019) monthly GCRA balances,

including the commodity and midstream related costs and recoveries, for January 1, 2019 to June 30, 2021.

Provided in Tab 3 are the details of the forecast cost of gas for Fort Nelson. The Company requests the information contained in Tab 3 be treated as CONFIDENTIAL.

CONFIDENTIALITY

FEI is requesting that this information be filed on a confidential basis pursuant to Section 18 of the BCUC's Rules of Practice and Procedure regarding confidential documents adopted by Order G-15-19, and Section 71(5) of the *Utilities Commission Act* and requests that the BCUC exercise its discretion under Section 6.0 of the Rules for Natural Gas Energy Supply Contracts and allow these documents to remain confidential. FEI believes this will ensure that market sensitive information is protected, and FEI's ability to obtain favourable commercial terms for future natural gas contracting is not impaired.

In this regard, FEI further believes that the Core Market could be disadvantaged and may well shoulder incremental costs if utility gas supply procurement strategies as well as contracts are treated in a different manner than those of other gas purchasers, and believes that since it continues to operate within a competitive environment, there is no necessity for public disclosure and risk prejudice or influence in the negotiations or renegotiation of subsequent contracts.

Summary

The Company requests approval to flow-through a change to the Commodity Cost Recovery Charge applicable to all sales rate classes in the Fort Nelson service area from \$1.552/GJ to \$1.048/GJ effective July 1, 2019. For comparative purposes, FEI provides at Tabs 4 and 5 the tariff continuity and bill impact schedules for Fort Nelson Service Area. As a result, the annual bill for a typical Fort Nelson residential customer with an average annual consumption of 125 GJ per year will decrease by approximately \$63 or 7.7%.

FEI will continue to monitor the forward prices and will report the recorded and forecast GCRA balances, including the commodity and midstream related costs and recoveries, in its 2019 Third Quarter Gas Cost Report. Further, under normal circumstances the storage and transport rates will be adjusted on an annual basis with a January 1 effective date.

We trust the BCUC will find the attached to be in order. However, should any further information be required, please contact Brian Noel at 604-592-7467.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Doug Slater

Attachments

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GAS COST RECONCILIATION ACCOUNT (GCRA) RATE CHANGE TRIGGER MECHANISM
COMMODITY COST RECOVERY CHARGE FLOW-THROUGH
FOR THE FORECAST PERIOD JUL 2019 TO JUN 2020
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019

Tab 1
Page 1

Line No.	Particulars	Pre-Tax (\$000)	Forecast Energy (TJ)	Percentage	Unit Cost (\$/GJ)	Reference / Comment
	(1)	(2)	(3)	(4)	(5)	(6)
1	<u>COMMODITY COST RECOVERY CHARGE CHANGE TRIGGER RATIO</u>					
2	(a)					
3	Projected Pre-Tax GCRA Deferral Balance at Jun 30, 2019	\$ (260.2)				(Tab 1, Page 3, Col 14, Line 1)
4	Forecast Total Commodity Related Costs - Jul 2019 to Jun 2020	\$ 732.2				(Tab 1, Page 3, Col 14, Line 11)
5	Forecast Storage and Transport Related Activities Imbalance - Jul 2019 to Jun 2020	\$ 0.7				(Tab 1, Page 3, Col 14, Line 29)
6	Forecast Recovery at Existing Commodity Cost Recovery Charge - Jul 2019 to Jun 2020	\$ 700.1				(Tab 1, Page 3, Col 14, Line 15)
7						
8						
9	Trigger = $\frac{\text{Forecast Recovery at Existing Cost of Gas Recovery Rate (Line 6)}}{\text{Projected GCRA Balance (Line 3) + Forecast Commodity Related Costs (Line 4) + Forecast Storage and Transport Related Activities Imbalance (Line 5)}}$	$\frac{\$ 700.1}{\$ 472.7}$				
10	Ratio			148.1%		Outside 95% to 105% deadband
11						
12						
13						
14	<u>Existing Commodity Cost Recovery Charge, effective January 1, 2019</u>				\$ 1.552	
15						
16						
17						
18						
19	<u>COMMODITY COST RECOVERY CHARGE CHANGE THRESHOLD (+/- \$0.50/GJ)</u>					
20						
21	Forecast Sales Rate Classes Recovery Energy - Jul 2019 to Jun 2020		451.1			(Tab 1, Page 3, Col 14, Line 14)
22	(a)					
23	Projected Pre-Tax GCRA Balance at Jun 30, 2019	\$ (260.2)			\$ (0.5768) ^(b)	
24	Forecast 12-month GCRA Activities - Jul 2019 to Jun 2020	32.7			0.0726 ^(b)	
25	(Over) / Under Recovery at Existing Commodity Cost Recovery Charge	<u>\$ (227.4)</u>				(Line 3 + Line 4 + Line 5 - Line 6)
26						
27	Proposed Commodity Cost Recovery Charge (Decrease) / Increase				<u>\$ (0.504)</u> ^(b)	Exceeds minimum +/- \$0.50/GJ threshold
28						
29	<u>PROPOSED Flow-Through Commodity Cost Recovery Charge effective Jul 1, 2019</u>				<u>\$ 1.048</u>	(Line 14 + Line 27)

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 Charge 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. - FORT NELSON SERVICE AREA
GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING RATES
RECORDED PERIOD TO APR 2019 AND FORECAST TO JUN 2019
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019

Tab 1
Page 2

Line No.	Particulars	Recorded Jan-19	Recorded Feb-19	Recorded Mar-19	Recorded Apr-19	Projected May-19	Projected Jun-19	Jan-19 to Jun-19
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$ (230,796)	\$ (213,045)	\$ (201,486)	\$ (229,209)	\$ (248,381)	\$ (253,181)	\$ (230,796)
2								
3	2019 GCRA Activities							
4	<u>Commodity Costs Incurred</u>							
5	Commodity Purchases ^(b)	GJ 92,100	87,400	44,300	24,000	17,102	9,126	274,029
6	Average Unit Cost of Gas Purchased	\$/GJ 1.694	1.654	1.007	0.698	0.756	0.599	\$ 1.373
7	(Line 8 / Line 5)							
8	Total Purchase Costs	\$ 155,986	\$ 144,574	\$ 44,589	\$ 16,758	\$ 12,937	\$ 5,469	\$ 380,312
9	Imbalance Gas ^(c)	(8,299)	(13,067)	6,844	11,220	454	-	(2,849)
10	Company Use Gas Recovered from O&M	(352)	(442)	(232)	(25)	(157)	(35)	(1,244)
11	Commodity Related Costs Total	\$ 147,335	\$ 131,064	\$ 51,200	\$ 27,952	\$ 13,233	\$ 5,434	\$ 376,219
12								
13	<u>Commodity Costs Recoveries</u>							
14	Sales Rate Classes Recovered	GJ 82,232	76,898	50,920	31,571	16,610	8,917	267,147
15	Adjust Sales Under / (Over) Accrual ^(d)	GJ -	-	-	-	(4,308)	-	(4,308)
16								
17	Recovery @ Approved Commodity Cost Recovery Rate	\$ (127,522)	\$ (119,346)	\$ (76,615)	\$ (47,551)	\$ (19,093)	\$ (13,838)	\$ (403,966)
18								
19	Total Commodity Related Activities (Lines 11 & 17)	\$ 19,813	\$ 11,718	\$ (25,414)	\$ (19,599)	\$ (5,860)	\$ (8,405)	\$ (27,746)
20								
21	<u>Storage and Transport Costs and Recoveries</u>							
22								
23	Transportation Costs Incurred ^(d)	\$ 1,763	\$ 3,340	\$ 72	\$ 1,790	\$ 1,775	\$ 1,775	\$ 10,516
24								
25	Recovery @ Approved Storage & Transport Rates	\$ (3,576)	\$ (3,294)	\$ (2,198)	\$ (1,352)	\$ (712)	\$ (382)	\$ (11,514)
26								
27	Recovery Others							
28	T-Service Balancing Gas	-	-	-	-	-	-	-
29	T-Service UAF Recovered ^(e)	(249)	(205)	(183)	(11)	(3)	(0)	(652)
30								
31	Total Storage and Transport Related Activities	\$ (2,062)	\$ (159)	\$ (2,309)	\$ 427	\$ 1,061	\$ 1,393	\$ (1,650)
32	(Lines 24, 26, 29, & 30)							
33	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 32)	\$ (213,045)	\$ (201,486)	\$ (229,209)	\$ (248,381)	\$ (253,181)	\$ (260,192)	\$ (260,192)
34								
35	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
36								
37	GCRA Balance - Ending (After-tax)	\$ (155,523)	\$ (147,085)	\$ (167,323)	\$ (181,318)	\$ (184,822)	\$ (189,940)	\$ (189,940)
38								

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) Adjustment to the forecast recoveries to account for any under / (over) accrued Sales at the end of the recorded period.
- (e) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING RATES
FORECAST PERIOD FROM JUL 2019 TO JUN 2020
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019

Tab 1
Page 3

Line No.	Particulars	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	Forecast Apr-20	Forecast May-20	Forecast Jun-20	Jul-19 to Jun-20
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$ (260,192)	\$ (264,530)	\$ (269,898)	\$ (279,367)	\$ (286,225)	\$ (281,949)	\$ (258,755)	\$ (229,887)	\$ (207,374)	\$ (201,973)	\$ (215,453)	\$ (223,881)	\$ (260,192)
2														
3	GCRA Activities													
4	<u>Commodity Costs Incurred</u>													
5	Commodity Purchases ^(b)	GJ 6,211	8,263	14,479	34,282	61,707	78,132	77,360	65,032	59,212	32,174	16,231	8,657	461,739
6	Average Unit Cost of Gas Purchased	\$/GJ \$ 0.575	\$ 0.700	\$ 0.789	\$ 1.316	\$ 1.609	\$ 1.844	\$ 1.920	\$ 1.889	\$ 1.630	\$ 1.092	\$ 0.931	\$ 0.947	\$ 1.593
7	(Line 8 / Line 5)													
8	Total Purchase Costs	\$ 3,572	\$ 5,783	\$ 11,422	\$ 45,125	\$ 99,304	\$ 144,076	\$ 148,552	\$ 122,855	\$ 96,522	\$ 35,119	\$ 15,119	\$ 8,198	\$ 735,647
9	Imbalance Gas ^(c)	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M	(32)	(24)	(43)	(53)	(504)	(673)	(605)	(639)	(456)	(207)	(194)	(55)	(3,483)
11	Commodity Related Costs Total	\$ 3,541	\$ 5,760	\$ 11,379	\$ 45,072	\$ 98,800	\$ 143,403	\$ 147,947	\$ 122,216	\$ 96,065	\$ 34,912	\$ 14,925	\$ 8,143	\$ 732,163
12														
13	<u>Commodity Costs Recoveries</u>													
14	Sales Rate Classes Recovered	GJ 6,053	8,091	14,183	33,645	60,250	76,326	75,617	63,490	57,835	31,416	15,754	8,455	451,114
15	Recovery @ Approved Commodity Cost Recovery Rate	\$ (9,394)	\$ (12,557)	\$ (22,012)	\$ (52,217)	\$ (93,508)	\$ (118,458)	\$ (117,358)	\$ (98,536)	\$ (89,759)	\$ (48,758)	\$ (24,450)	\$ (13,122)	\$ (700,130)
16														
17	Total Commodity Related Activities (Lines 11 & 15)	\$ (5,853)	\$ (6,798)	\$ (10,633)	\$ (7,145)	\$ 5,292	\$ 24,945	\$ 30,589	\$ 23,680	\$ 6,306	\$ (13,846)	\$ (9,525)	\$ (4,979)	\$ 32,034
18														
19														
20	<u>Storage and Transport Costs and Recoveries</u>													
21	Transportation Costs Incurred	\$ 1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	\$ 21,300
22														
23	Recovery @ Approved Storage & Transport Rates	\$ (259)	\$ (345)	\$ (610)	\$ (1,449)	\$ (2,599)	\$ (3,295)	\$ (3,267)	\$ (2,742)	\$ (2,497)	\$ (1,354)	\$ (676)	\$ (363)	\$ (19,456)
24														
25	Recovery Others													
26	T-Service Balancing Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
27	T-Service UAF Recovered ^(d)	(0)	(0)	(1)	(39)	(192)	(230)	(229)	(200)	(183)	(55)	(3)	(0)	(1,133)
28														
29	Total Storage and Transport Related Activities (Lines 21, 23, 26, & 27)	\$ 1,516	\$ 1,429	\$ 1,164	\$ 287	\$ (1,016)	\$ (1,750)	\$ (1,721)	\$ (1,168)	\$ (905)	\$ 366	\$ 1,096	\$ 1,412	\$ 711
30														
31	GCRA Balance - Ending (Pre-tax) (Lines 1, 17 & 29)	\$ (264,530)	\$ (269,898)	\$ (279,367)	\$ (286,225)	\$ (281,949)	\$ (258,755)	\$ (229,887)	\$ (207,374)	\$ (201,973)	\$ (215,453)	\$ (223,881)	\$ (227,448)	\$ (227,448)
32														
33														
34	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%
35														
36	GCRA Balance - Ending (After-tax)	\$ (193,107)	\$ (197,026)	\$ (203,938)	\$ (208,944)	\$ (205,823)	\$ (188,891)	\$ (167,817)	\$ (151,383)	\$ (147,440)	\$ (157,280)	\$ (163,433)	\$ (166,037)	\$ (166,037)

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING RATES
FORECAST PERIOD FROM JUL 2020 TO JUN 2021
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019

Tab 1
Page 4

Line No.	Particulars	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	Forecast Apr-21	Forecast May-21	Forecast Jun-21	Jul-20 to Jun-21
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$ (227,448)	\$ (229,117)	\$ (231,810)	\$ (237,908)	\$ (248,846)	\$ (241,983)	\$ (222,250)	\$ (196,413)	\$ (178,000)	\$ (167,404)	\$ (174,918)	\$ (178,996)	\$ (227,448)
2														
3	GCRA Activities													
4	<u>Commodity Costs Incurred</u>													
5	Commodity Purchases ^(b)	GJ 5,890	7,815	13,721	32,422	58,517	73,922	72,890	61,279	55,781	30,289	15,265	8,140	435,931
6	Average Unit Cost of Gas Purchased	\$/GJ \$ 0.978	\$ 0.994	\$ 0.992	\$ 1.176	\$ 1.656	\$ 1.813	\$ 1.900	\$ 1.842	\$ 1.728	\$ 1.260	\$ 1.180	\$ 1.208	\$ 1.628
7	(Line 8 / Line 5)													
8	Total Purchase Costs	\$ 5,760	\$ 7,768	\$ 13,616	\$ 38,125	\$ 96,905	\$ 134,004	\$ 138,507	\$ 112,856	\$ 96,365	\$ 38,163	\$ 18,007	\$ 9,830	\$ 709,906
9	Imbalance Gas ^(c)	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M	(54)	(34)	(54)	(47)	(518)	(662)	(599)	(622)	(484)	(239)	(245)	(70)	(3,628)
11	Commodity Related Costs Total	\$ 5,706	\$ 7,734	\$ 13,562	\$ 38,078	\$ 96,387	\$ 133,342	\$ 137,909	\$ 112,233	\$ 95,881	\$ 37,924	\$ 17,761	\$ 9,760	\$ 706,278
12														
13	<u>Commodity Costs Recoveries</u>													
14	Sales Rate Classes Recovered	GJ 5,737	7,651	13,438	31,817	57,113	72,187	71,221	59,799	54,461	29,563	14,804	7,947	425,738
15	Recovery @ Approved Commodity Cost Recovery Rate	\$ (8,904)	\$ (11,875)	\$ (20,855)	\$ (49,380)	\$ (88,640)	\$ (112,034)	\$ (110,536)	\$ (92,808)	\$ (84,524)	\$ (45,881)	\$ (22,975)	\$ (12,333)	\$ (660,745)
16														
17	Total Commodity Related Activities (Lines 11 & 15)	\$ (3,198)	\$ (4,140)	\$ (7,293)	\$ (11,302)	\$ 7,747	\$ 21,308	\$ 27,373	\$ 19,425	\$ 11,358	\$ (7,957)	\$ (5,214)	\$ (2,574)	\$ 45,532
18														
19														
20	<u>Storage and Transport Costs and Recoveries</u>													
21	Transportation Costs Incurred	\$ 1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	21,300
22														
23	Recovery @ Approved Storage & Transport Rates	\$ (246)	\$ (327)	\$ (578)	\$ (1,372)	\$ (2,467)	\$ (3,120)	\$ (3,081)	\$ (2,587)	\$ (2,355)	\$ (1,276)	\$ (637)	\$ (342)	\$ (18,388)
24														
25	Recovery Others													
26	T-Service Balancing Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
27	T-Service UAF Recovered ^(d)	(0)	(0)	(1)	(39)	(192)	(230)	(229)	(200)	(183)	(55)	(3)	(0)	(1,133)
28														
29	Total Storage and Transport Related Activities	\$ 1,529	\$ 1,448	\$ 1,195	\$ 364	\$ (884)	\$ (1,575)	\$ (1,535)	\$ (1,012)	\$ (763)	\$ 444	\$ 1,136	\$ 1,433	\$ 1,779
30	(Lines 21, 23, 26, & 27)													
31	GCRA Balance - Ending (Pre-tax) (Lines 1, 17 & 29)	\$ (229,117)	\$ (231,810)	\$ (237,908)	\$ (248,846)	\$ (241,983)	\$ (222,250)	\$ (196,413)	\$ (178,000)	\$ (167,404)	\$ (174,918)	\$ (178,996)	\$ (180,136)	\$ (180,136)
32														
33														
34	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%
35														
36	GCRA Balance - Ending (After-tax)	\$ (167,256)	\$ (169,221)	\$ (173,673)	\$ (181,658)	\$ (176,648)	\$ (162,243)	\$ (143,381)	\$ (129,940)	\$ (122,205)	\$ (127,690)	\$ (130,667)	\$ (131,500)	\$ (131,500)

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
(b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
(c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
(d) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
STATION 2 INDEX FORECAST FOR THE PERIOD ENDING JUN 2021

Tab 1
Page 5

Line No	Particulars		Five-day Average Forward Prices - May 17, 21, 22, 23, and 24, 2019		Five-day Average Forward Prices - Feb 20, 21, 22, 25, and 26, 2019		Change in Forward Price
	(1)		2019 Q2 Gas Cost Report		2019 Q1 Gas Cost Report		(4) = (2) - (3)
1	Station 2 Index Prices - \$CDN/GJ ^(a)						
2							
3	2019	January	Recorded Forecast	\$ 1.35	Recorded Forecast	\$ 1.35	\$ -
4		February		\$ 1.47		\$ 0.86	\$ 0.62
5		March		\$ 1.08		\$ 0.96	\$ 0.12
6		April		\$ 0.70		\$ 0.73	\$ (0.03)
7		May		\$ 0.76		\$ 0.70	\$ 0.06
8		June		\$ 0.60		\$ 0.56	\$ 0.04
9	2020	July	Recorded Forecast	\$ 0.58		\$ 0.50	\$ 0.07
10		August		\$ 0.70		\$ 0.60	\$ 0.10
11		September		\$ 0.79		\$ 1.25	\$ (0.46)
12		October		\$ 1.32		\$ 1.37	\$ (0.05)
13		November		\$ 1.61		\$ 1.75	\$ (0.14)
14		December		\$ 1.96		\$ 1.93	\$ 0.03
15		January		\$ 2.07		\$ 2.03	\$ 0.04
16		February		\$ 2.03		\$ 2.04	\$ (0.01)
17		March		\$ 1.64		\$ 1.74	\$ (0.10)
18		April		\$ 1.09		\$ 1.23	\$ (0.14)
19		May		\$ 0.93		\$ 1.15	\$ (0.22)
20		June		\$ 0.95		\$ 1.21	\$ (0.26)
21	2021	July		\$ 0.98	\$ 1.28	\$ (0.31)	
22		August		\$ 0.99	\$ 1.29	\$ (0.30)	
23		September		\$ 0.99	\$ 1.29	\$ (0.29)	
24		October		\$ 1.18	\$ 1.40	\$ (0.23)	
25		November		\$ 1.62	\$ 1.48	\$ 0.14	
26		December		\$ 1.85	\$ 1.71	\$ 0.15	
27		January		\$ 1.98	\$ 1.88	\$ 0.10	
28		February		\$ 1.90	\$ 1.76	\$ 0.13	
29		March		\$ 1.73	\$ 1.58	\$ 0.15	
30		April		\$ 1.26			
31		May		\$ 1.18			
32		June		\$ 1.21			
33							
34	Simple Average (Jul 2019 - Jun 2020)			\$ 1.31		\$ 1.40	-6.8% \$ (0.10)
35	Simple Average (Oct 2019 - Sep 2020)			\$ 1.38		\$ 1.53	-9.6% \$ (0.15)
36	Simple Average (Jan 2020 - Dec 2020)			\$ 1.36		\$ 1.49	-8.6% \$ (0.13)
37	Simple Average (Apr 2020 - Mar 2021)			\$ 1.35		\$ 1.44	-6.3% \$ (0.09)
38	Simple Average (Jul 2020 - Jun 2021)			\$ 1.41			

Notes:

(a) Recorded monthly price reflects the average booked cost for the month.

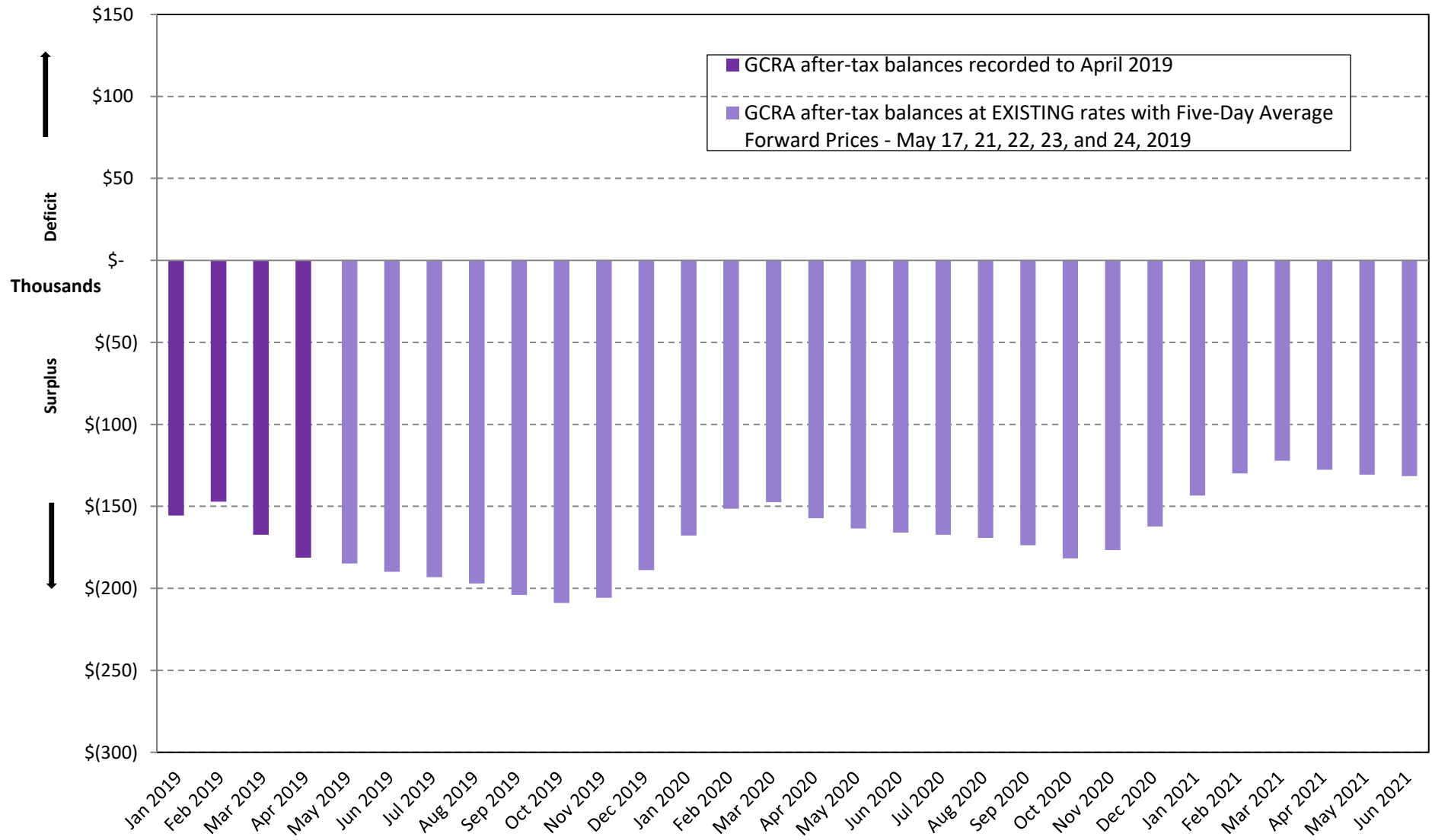
FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA AFTER-TAX BALANCES AT EXISTING RECOVERY RATES
FOR FORECAST PERIOD ENDING JUN 2021
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019
(\$000)

Tab 1
Page 6

Line No	Particulars		Five-day Average Forward Prices - May 17, 21, 22, 23, and 24, 2019		Five-day Average Forward Prices - Feb 20, 21, 22, 25, and 26, 2019	
			2019 Q2 Gas Cost Report		2019 Q1 Gas Cost Report	
		(1)		(2)		(3)
1	2019	January		\$ (155.5)	Recorded	\$ (155.5)
2		February		\$ (147.1)	Forecast	\$ (161.3)
3		March		\$ (167.3)		\$ (181.6)
4		April	Recorded	\$ (181.3)		\$ (201.0)
5		May	Forecast	\$ (184.8)		\$ (210.5)
6		June		\$ (189.9)		\$ (216.0)
7		July		\$ (193.1)		\$ (219.5)
8		August		\$ (197.0)		\$ (224.1)
9		September		\$ (203.9)		\$ (226.3)
10		October		\$ (208.9)		\$ (230.1)
11		November		\$ (205.8)		\$ (222.7)
12		December		\$ (188.9)		\$ (206.8)
13	2020	January		\$ (167.8)		\$ (187.1)
14		February		\$ (151.4)		\$ (170.4)
15		March		\$ (147.4)		\$ (163.5)
16		April		\$ (157.3)		\$ (170.2)
17		May		\$ (163.4)		\$ (173.8)
18		June		\$ (166.0)		\$ (174.8)
19		July		\$ (167.3)		\$ (174.8)
20		August		\$ (169.2)		\$ (175.2)
21		September		\$ (173.7)		\$ (176.8)
22		October		\$ (181.7)		\$ (179.5)
23		November		\$ (176.6)		\$ (174.8)
24		December		\$ (162.2)		\$ (161.3)
25	2021	January		\$ (143.4)		\$ (141.7)
26		February		\$ (129.9)		\$ (128.5)
27		March		\$ (122.2)		\$ (121.4)
28		April		\$ (127.7)		
29		May		\$ (130.7)		
30		June		\$ (131.5)		

FortisBC Energy Inc. - Fort Nelson Service Area
 GCRA After-Tax Monthly Balances
 Recorded to April 2019 and Forecast to June 2021

Tab 1
 Page 7



FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING COMMODITY COST RECOVERY CHARGE AND STORAGE & TRANSPORT RATES
RECORDED PERIOD TO APR 2019 AND FORECAST TO JUN 2019
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019

Tab 2
Page 1

Line No.	Particulars	Recorded Jan-19	Recorded Feb-19	Recorded Mar-19	Recorded Apr-19	Projected May-19	Projected Jun-19	(8)	(9)	(10)	(11)	(12)	(13)	Jan-19 to Jun-19
	(1)	(2)	(3)	(4)	(5)	(6)	(7)							(14)
1	GCRA Balance - Beginning (Pre-tax)^(a)	\$ (230,796)	\$ (213,045)	\$ (201,486)	\$ (229,209)	\$ (248,381)	\$ (253,181)							\$ (230,796)
2														
3	2019 GCRA Activities													
4	<u>Commodity Costs Incurred</u>													
5	Commodity Purchases ^(b)	GJ 92,100	87,400	44,300	24,000	17,102	9,126							274,029
6	Average Unit Cost of Gas Purchased (Line 8 / Line 5)	\$/GJ \$ 1.694	\$ 1.654	\$ 1.007	\$ 0.698	\$ 0.756	\$ 0.599							\$ 1.373
7														
8	Total Purchase Costs	\$ \$ 155,986	\$ 144,574	\$ 44,589	\$ 16,758	\$ 12,937	\$ 5,469							\$ 380,312
9	Imbalance Gas ^(c)	(8,299)	(13,067)	6,844	11,220	454	-							(2,849)
10	Company Use Gas Recovered from O&M	(352)	(442)	(232)	(25)	(157)	(35)							(1,244)
11	Commodity Related Costs Total	\$ 147,335	\$ 131,064	\$ 51,200	\$ 27,952	\$ 13,233	\$ 5,434							\$ 376,219
12														
13	<u>Commodity Costs Recoveries</u>													
14	Sales Rate Classes Recovered	GJ 82,232	76,898	50,920	31,571	16,610	8,917							267,147
15	Adjust Sales Under / (Over) Accrual ^(d)	GJ -	-	-	-	(4,308)	-							(4,308)
16														
17	Recovery @ Approved Commodity Cost Recovery Charge	\$ (127,522)	\$ (119,346)	\$ (76,615)	\$ (47,551)	\$ (19,093)	\$ (13,838)							\$ (403,966)
18														
19	Total Commodity Related Activities (Lines 11 & 17)	\$ 19,813	\$ 11,718	\$ (25,414)	\$ (19,599)	\$ (5,860)	\$ (8,405)							\$ (27,746)
20														
21														
22	<u>Storage and Transport Costs and Recoveries</u>													
23														
24	Transportation Costs Incurred ^(d)	\$ 1,763	\$ 3,340	\$ 72	\$ 1,790	\$ 1,775	\$ 1,775							\$ 10,516
25														
26	Recovery @ Approved Storage & Transport Rates	\$ (3,576)	\$ (3,294)	\$ (2,198)	\$ (1,352)	\$ (712)	\$ (382)							\$ (11,514)
27														
28	Recovery Others													
29	T-Service Balancing Gas	-	-	-	-	-	-							-
30	T-Service UAF Recovered ^(e)	(249)	(205)	(183)	(11)	(3)	(0)							(652)
31														
32	Total Storage and Transport Related Activities (Lines 24 ,26, 29, & 30)	\$ (2,062)	\$ (159)	\$ (2,309)	\$ 427	\$ 1,061	\$ 1,393							\$ (1,650)
33														
34	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 32)	\$ (213,045)	\$ (201,486)	\$ (229,209)	\$ (248,381)	\$ (253,181)	\$ (260,192)							\$ (260,192)
35														
36														
37	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%							27.0%
38														
39	GCRA Balance - Ending (After-tax)	\$ (155,523)	\$ (147,085)	\$ (167,323)	\$ (181,318)	\$ (184,822)	\$ (189,940)							\$ (189,940)

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) Adjustment to the forecast recoveries to account for any under / (over) accrued Sales at the end of the recorded period.
- (e) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA MONTHLY BALANCES AND ACTIVITIES AT PROPOSED COMMODITY COST RECOVERY CHARGE AND EXISTING STORAGE & TRANSPORT RATES
FORECAST PERIOD FROM JUL 2019 TO JUN 2020
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019

Tab 2
Page 2

Line No.	Particulars	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	Forecast Apr-20	Forecast May-20	Forecast Jun-20	Jul-19 to Jun-20
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$ (260,192)	\$ (261,479)	\$ (262,770)	\$ (265,090)	\$ (254,991)	\$ (220,349)	\$ (158,686)	\$ (91,707)	\$ (37,196)	\$ (2,646)	\$ (292)	\$ (781)	\$ (260,192)
2														
3	GCRA Activities													
4	<u>Commodity Costs Incurred</u>													
5	Commodity Purchases ^(b)	GJ 6,211	8,263	14,479	34,282	61,707	78,132	77,360	65,032	59,212	32,174	16,231	8,657	461,739
6	Average Unit Cost of Gas Purchased	\$/GJ \$ 0.575	\$ 0.700	\$ 0.789	\$ 1.316	\$ 1.609	\$ 1.844	\$ 1.920	\$ 1.889	\$ 1.630	\$ 1.092	\$ 0.931	\$ 0.947	\$ 1.593
7	(Line 8 / Line 5)													
8	Total Purchase Costs	\$ 3,572	\$ 5,783	\$ 11,422	\$ 45,125	\$ 99,304	\$ 144,076	\$ 148,552	\$ 122,855	\$ 96,522	\$ 35,119	\$ 15,119	\$ 8,198	\$ 735,647
9	Imbalance Gas ^(c)	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M	(32)	(24)	(43)	(53)	(504)	(673)	(605)	(639)	(456)	(207)	(194)	(55)	(3,483)
11	Commodity Related Costs Total	\$ 3,541	\$ 5,760	\$ 11,379	\$ 45,072	\$ 98,800	\$ 143,403	\$ 147,947	\$ 122,216	\$ 96,065	\$ 34,912	\$ 14,925	\$ 8,143	\$ 732,163
12														
13	<u>Commodity Costs Recoveries</u>													
14	Sales Rate Classes Recovered	GJ 6,053	8,091	14,183	33,645	60,250	76,326	75,617	63,490	57,835	31,416	15,754	8,455	451,114
15	Recovery @ Proposed Commodity Cost Recovery Charge	\$ (6,344)	\$ (8,479)	\$ (14,864)	\$ (35,260)	\$ (63,142)	\$ (79,990)	\$ (79,247)	\$ (66,537)	\$ (60,611)	\$ (32,924)	\$ (16,510)	\$ (8,861)	\$ (472,768)
16														
17	Total Commodity Related Activities (Lines 11 & 15)	\$ (2,803)	\$ (2,720)	\$ (3,485)	\$ 9,812	\$ 35,658	\$ 63,413	\$ 68,700	\$ 55,679	\$ 35,455	\$ 1,988	\$ (1,585)	\$ (717)	\$ 259,395
18														
19														
20	<u>Storage and Transport Costs and Recoveries</u>													
21	Transportation Costs Incurred	\$ 1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	\$ 21,300
22														
23	Recovery @ Approved Storage & Transport Rates	\$ (259)	\$ (345)	\$ (610)	\$ (1,449)	\$ (2,599)	\$ (3,295)	\$ (3,267)	\$ (2,742)	\$ (2,497)	\$ (1,354)	\$ (676)	\$ (363)	\$ (19,456)
24														
25	Recovery Others													
26	T-Service Balancing Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
27	T-Service UAF Recovered ^(d)	(0)	(0)	(1)	(39)	(192)	(230)	(229)	(200)	(183)	(55)	(3)	(0)	(1,133)
28														
29	Total Storage and Transport Related Activities (Lines 21, 23, 26, & 27)	\$ 1,516	\$ 1,429	\$ 1,164	\$ 287	\$ (1,016)	\$ (1,750)	\$ (1,721)	\$ (1,168)	\$ (905)	\$ 366	\$ 1,096	\$ 1,412	\$ 711
30														
31	GCRA Balance - Ending (Pre-tax) (Lines 1, 17 & 29)	\$ (261,479)	\$ (262,770)	\$ (265,090)	\$ (254,991)	\$ (220,349)	\$ (158,686)	\$ (91,707)	\$ (37,196)	\$ (2,646)	\$ (292)	\$ (781)	\$ (86)	\$ (86)
32														
33														
34	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%
35														
36	GCRA Balance - Ending (After-tax)	\$ (190,880)	\$ (191,822)	\$ (193,516)	\$ (186,144)	\$ (160,855)	\$ (115,841)	\$ (66,946)	\$ (27,153)	\$ (1,932)	\$ (213)	\$ (570)	\$ (63)	\$ (63)

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA MONTHLY BALANCES AND ACTIVITIES AT PROPOSED COMMODITY COST RECOVERY CHARGE AND EXISTING STORAGE & TRANSPORT RATES
FORECAST PERIOD FROM JUL 2020 TO JUN 2021
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019

Tab 2
Page 3

Line No.	Particulars	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	Forecast Apr-21	Forecast May-21	Forecast Jun-21	Jul-20 to Jun-21
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	GCRA Balance - Beginning (Pre-tax)^(a)	\$ (86)	\$ 1,136	\$ 2,299	\$ 2,974	\$ 8,072	\$ 43,720	\$ 99,835	\$ 161,568	\$ 210,120	\$ 248,163	\$ 255,550	\$ 258,933	\$ (86)
2														
3	GCRA Activities													
4	<u>Commodity Costs Incurred</u>													
5	Commodity Purchases ^(b)	GJ 5,890	7,815	13,721	32,422	58,517	73,922	72,890	61,279	55,781	30,289	15,265	8,140	435,931
6	Average Unit Cost of Gas Purchased	\$/GJ \$ 0.978	\$ 0.994	\$ 0.992	\$ 1.176	\$ 1.656	\$ 1.813	\$ 1.900	\$ 1.842	\$ 1.728	\$ 1.260	\$ 1.180	\$ 1.208	\$ 1.628
7	(Line 8 / Line 5)													
8	Total Purchase Costs	\$ 5,760	\$ 7,768	\$ 13,616	\$ 38,125	\$ 96,905	\$ 134,004	\$ 138,507	\$ 112,856	\$ 96,365	\$ 38,163	\$ 18,007	\$ 9,830	\$ 709,906
9	Imbalance Gas ^(c)	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M	(54)	(34)	(54)	(47)	(518)	(662)	(599)	(622)	(484)	(239)	(245)	(70)	(3,628)
11	Commodity Related Costs Total	\$ 5,706	\$ 7,734	\$ 13,562	\$ 38,078	\$ 96,387	\$ 133,342	\$ 137,909	\$ 112,233	\$ 95,881	\$ 37,924	\$ 17,761	\$ 9,760	\$ 706,278
12														
13	<u>Commodity Costs Recoveries</u>													
14	Sales Rate Classes Recovered	GJ 5,737	7,651	13,438	31,817	57,113	72,187	71,221	59,799	54,461	29,563	14,804	7,947	425,738
15	Recovery @ Proposed Commodity Cost Recovery Charge	\$ (6,012)	\$ (8,018)	\$ (14,083)	\$ (33,344)	\$ (59,855)	\$ (75,652)	\$ (74,640)	\$ (62,670)	\$ (57,075)	\$ (30,982)	\$ (15,514)	\$ (8,328)	\$ (446,173)
16														
17	Total Commodity Related Activities (Lines 11 & 15)	\$ (307)	\$ (284)	\$ (521)	\$ 4,734	\$ 36,532	\$ 57,690	\$ 63,269	\$ 49,564	\$ 38,806	\$ 6,942	\$ 2,247	\$ 1,431	\$ 260,104
18														
19														
20	<u>Storage and Transport Costs and Recoveries</u>													
21	Transportation Costs Incurred	\$ 1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	21,300
22														
23	Recovery @ Approved Storage & Transport Rates	\$ (246)	\$ (327)	\$ (578)	\$ (1,372)	\$ (2,467)	\$ (3,120)	\$ (3,081)	\$ (2,587)	\$ (2,355)	\$ (1,276)	\$ (637)	\$ (342)	\$ (18,388)
24														
25	Recovery Others													
26	T-Service Balancing Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
27	T-Service UAF Recovered ^(d)	(0)	(0)	(1)	(39)	(192)	(230)	(229)	(200)	(183)	(55)	(3)	(0)	(1,133)
28														
29	Total Storage and Transport Related Activities	\$ 1,529	\$ 1,448	\$ 1,195	\$ 364	\$ (884)	\$ (1,575)	\$ (1,535)	\$ (1,012)	\$ (763)	\$ 444	\$ 1,136	\$ 1,433	\$ 1,779
30	(Lines 21, 23, 26, & 27)													
31	GCRA Balance - Ending (Pre-tax) (Lines 1, 17 & 29)	\$ 1,136	\$ 2,299	\$ 2,974	\$ 8,072	\$ 43,720	\$ 99,835	\$ 161,568	\$ 210,120	\$ 248,163	\$ 255,550	\$ 258,933	\$ 261,797	\$ 261,797
32														
33														
34	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%
35														
36	GCRA Balance - Ending (After-tax)	\$ 829	\$ 1,679	\$ 2,171	\$ 5,892	\$ 31,915	\$ 72,879	\$ 117,945	\$ 153,387	\$ 181,159	\$ 186,551	\$ 189,021	\$ 191,112	\$ 191,112

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

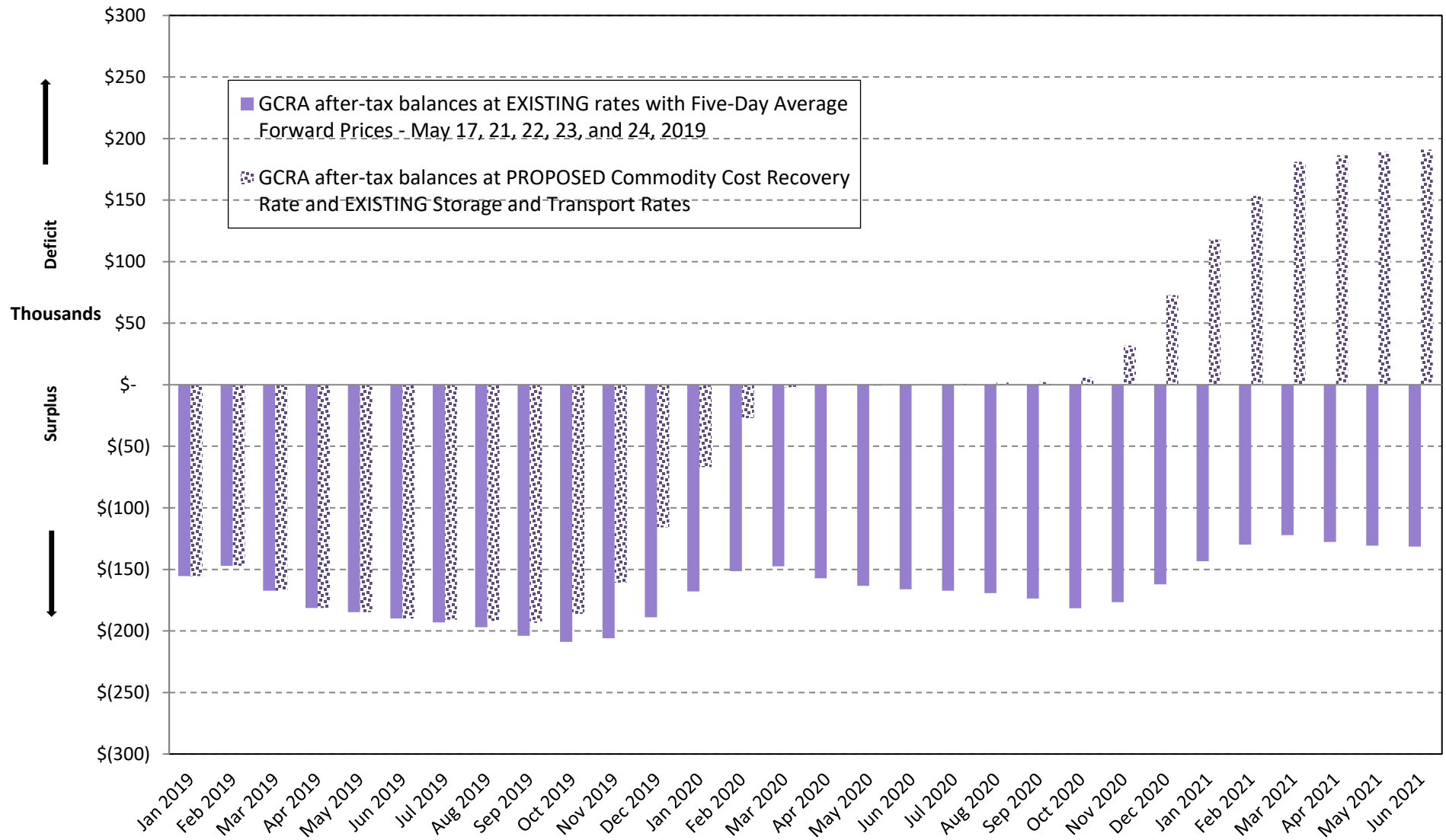
FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
ICRA AFTER-TAX BALANCES AT PROPOSED COMMODITY COST RECOVERY RATE AND EXISTING STORAGE AND TRANSPORT RATES
FOR FORECAST PERIOD ENDING JUN 2021
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 21, 22, 23, AND 24, 2019
(\$000)

Tab 2
Page 4

Line No		Particulars	2019 Q2 Gas Cost Report Proposed Rates - Jul 1, 2019		2019 Q2 Gas Cost Report Existing Rates	
		(1)		(2)		(3)
1	2019	January		\$ (155.5)		\$ (155.5)
2		February		\$ (147.1)		\$ (147.1)
3		March		\$ (167.3)		\$ (167.3)
4		April	Recorded	\$ (181.3)	Recorded	\$ (181.3)
5		May	Forecast	\$ (184.8)	Forecast	\$ (184.8)
6		June		\$ (189.9)		\$ (189.9)
7		July		\$ (190.9)		\$ (193.1)
8		August		\$ (191.8)		\$ (197.0)
9		September		\$ (193.5)		\$ (203.9)
10		October		\$ (186.1)		\$ (208.9)
11		November		\$ (160.9)		\$ (205.8)
12		December		\$ (115.8)		\$ (188.9)
13	2020	January		\$ (66.9)		\$ (167.8)
14		February		\$ (27.2)		\$ (151.4)
15		March		\$ (1.9)		\$ (147.4)
16		April		\$ (0.2)		\$ (157.3)
17		May		\$ (0.6)		\$ (163.4)
18		June		\$ (0.1)		\$ (166.0)
19		July		\$ 0.8		\$ (167.3)
20		August		\$ 1.7		\$ (169.2)
21		September		\$ 2.2		\$ (173.7)
22		October		\$ 5.9		\$ (181.7)
23		November		\$ 31.9		\$ (176.6)
24		December		\$ 72.9		\$ (162.2)
25	2021	January		\$ 117.9		\$ (143.4)
26		February		\$ 153.4		\$ (129.9)
27		March		\$ 181.2		\$ (122.2)
28		April		\$ 186.6		\$ (127.7)
29		May		\$ 189.0		\$ (130.7)
30		June		\$ 191.1		\$ (131.5)

FortisBC Energy Inc. - Fort Nelson Service Areas
 GCRA After-Tax Monthly Balances
 Recorded to April 2019 and Forecast to June 2021

Tab 2
 Page 5



FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2019 RATES
BCUC ORDERS G-XX-19

TAB 4
PAGE 1
SCHEDULE 1

RATE SCHEDULE 1: RESIDENTIAL SERVICE		EXISTING RATES JANUARY 1, 2019	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2019 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$0.3701	\$0.0000	\$0.3701
3				
4	Delivery Charge per GJ	\$3.712	\$0.000	\$3.712
5	Rider 5 RSAM per GJ	\$0.199	\$0.000	\$0.199
6	Subtotal Delivery Margin Related Charges per GJ	\$3.911	\$0.000	\$3.911
7				
8				
9	<u>Commodity Related Charges</u>			
10	Storage and Transport Charge per GJ	\$0.044	\$0.000	\$0.044
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$1.552	(\$0.504)	\$1.048
12	Subtotal of Commodity Related Charges per GJ	\$1.596	(\$0.504)	\$1.092

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2019 RATES
BCUC ORDERS G-XX-19

TAB 4
PAGE 2
SCHEDULE 2

RATE SCHEDULE 2: SMALL COMMERCIAL SERVICE		EXISTING RATES MAY 1, 2019	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2019 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$1.2151	\$0.0000	\$1.2151
3				
4	Delivery Charge per GJ	\$4.002	\$0.000	\$4.002
5	Rider 2 Delivery Rate Recovery per GJ	\$0.007	\$0.000	\$0.007
6	Rider 5 RSAM per GJ	\$0.199	\$0.000	\$0.199
7	Subtotal Delivery Margin Related Charges per GJ	\$4.208	\$0.000	\$4.208
8				
9				
10	<u>Commodity Related Charges</u>			
11	Storage and Transport Charge per GJ	\$0.044	\$0.000	\$0.044
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$1.552	(\$0.504)	\$1.048
13	Subtotal of Commodity Related Charges per GJ	\$1.596	(\$0.504)	\$1.092

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2019 RATES
BCUC ORDERS G-XX-19

TAB 4
PAGE 3
SCHEDULE 3

RATE SCHEDULE 3: LARGE COMMERCIAL SERVICE		EXISTING RATES JANUARY 1, 2019	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2019 RATES
Line No.	Particulars (1)	Fort Nelson (2)	Fort Nelson (3)	Fort Nelson (4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$3.6845	\$0.0000	\$3.6845
3				
4	Delivery Charge per GJ	\$3.492	\$0.000	\$3.492
5	Rider 5 RSAM per GJ	\$0.199	\$0.000	\$0.199
6	Subtotal Delivery Margin Related Charges per GJ	\$3.691	\$0.000	\$3.691
7				
8				
9	<u>Commodity Related Charges</u>			
10	Storage and Transport Charge per GJ	\$0.037	\$0.000	\$0.037
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$1.552	(\$0.504)	\$1.048
12	Subtotal of Commodity Related Charges per GJ	\$1.589	(\$0.504)	\$1.085

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2019 RATES
BCUC ORDERS G-XX-19

TAB 4
PAGE 4
SCHEDULE 5

RATE SCHEDULE 5 GENERAL FIRM SERVICE		EXISTING RATES JANUARY 1, 2019	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2019 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Month	\$600.00	\$0.00	\$600.00
3				
4	Demand Charge per Month per GJ	\$31.785	\$0.000	\$31.785
5				
6	Delivery Charge per GJ	\$1.053	\$0.000	\$1.053
7	Rider 5 RSAM per GJ	\$0.199	\$0.000	\$0.199
8	Subtotal Delivery Margin Related Charges per GJ	\$1.252	\$0.000	\$1.252
9				
10	<u>Commodity Related Charges</u>			
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$1.552	(\$0.504)	\$1.048
12	Storage and Transport Charge per GJ	\$0.031	\$0.000	\$0.031
13	Subtotal of Commodity Related Charges per GJ	\$1.583	(\$0.504)	\$1.079
14				
15				
16				
17				
18	Total Variable Cost per gigajoule	<u><u>\$2.835</u></u>	<u><u>(\$0.504)</u></u>	<u><u>\$2.331</u></u>

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2019 RATES
BCUC ORDERS G-XX-19

TAB 4
PAGE 5
SCHEDULE 6

RATE SCHEDULE 6: NATURAL GAS VEHICLE SERVICE		EXISTING RATES JANUARY 1, 2019	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2019 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$2.0041	\$0.0000	\$2.0041
3	Delivery Charge per GJ	\$2.923	\$0.000	\$2.923
4				
5				
6	<u>Commodity Related Charges</u>			
7	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$1.552	(\$0.504)	\$1.048
8	Storage and Transport Charge per GJ	\$0.014	\$0.000	\$0.014
9	Subtotal of Commodity Related Charges per GJ	\$1.566	(\$0.504)	\$1.062
10				
11				
12				
13				
14	Total Variable Cost per gigajoule	\$4.489	(\$0.504)	\$3.985

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
 COMMODITY RELATED CHARGES CHANGES
 BCUC ORDERS G-XX-19
RATE SCHEDULE 1 - RESIDENTIAL SERVICE

TAB 5
PAGE 1

Line No.	Particular	EXISTING RATES JANUARY 1, 2019					PROPOSED JULY 1, 2019 RATES					Annual Increase/Decrease		
		Quantity		Rate		Annual \$	Quantity		Rate		Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA													
2	<u>Delivery Margin Related Charges</u>													
3	Basic Charge per Day	365.25	days x	\$0.3701	=	\$135.18	365.25	days x	\$0.3701	=	\$135.18	\$0.0000	\$0.00	0.00%
4														
5	Delivery Charge per GJ	125.0	GJ x	\$3.712	=	464.0000	125.0	GJ x	\$3.712	=	464.0000	\$0.000	0.0000	0.00%
6	Rider 5 RSAM per GJ	125.0	GJ x	\$0.199	=	24.8750	125.0	GJ x	\$0.199	=	24.8750	\$0.000	0.0000	0.00%
7	Subtotal Delivery Margin Related Charges					\$624.06					\$624.06		\$0.00	0.00%
8														
9	<u>Commodity Related Charges</u>													
10	Storage and Transport Charge per GJ	125.0	GJ x	\$0.044	=	\$5.50	125.0	GJ x	\$0.044	=	\$5.50	\$0.000	\$0.00	0.00%
11														
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	125.0	GJ x	\$1.552	=	\$194.00	125.0	GJ x	\$1.048	=	\$131.00	(\$0.504)	(\$63.00)	-7.65%
13	Subtotal Commodity Related Charges					\$199.50					\$136.50		(\$63.00)	-7.65%
14														
15	Total (with effective \$/GJ rate)	125.0		\$6.588		\$823.56	125.0		\$6.084		\$760.56	(\$0.504)	(\$63.00)	-7.65%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
COMMODITY RELATED CHARGES CHANGES
BCUC ORDERS G-XX-19
RATE SCHEDULE 2 - SMALL COMMERCIAL SERVICE

TAB 5
PAGE 2

Line No.	Particular	EXISTING RATES MAY 1, 2019					PROPOSED JULY 1, 2019 RATES					Annual Increase/Decrease		
		Quantity		Rate		Annual \$	Quantity		Rate		Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA													
2	<u>Delivery Margin Related Charges</u>													
3	Basic Charge per Day	365.25	days	x	\$1.2151	= \$443.82	365.25	days	x	\$1.2151	= \$443.82	\$0.0000	\$0.00	0.00%
4														
5	Delivery Charge per GJ	350.0	GJ	x	\$4.002	= 1,400.7000	350.0	GJ	x	\$4.002	= 1,400.7000	\$0.000	0.0000	0.00%
6	Rider 2 Delivery Rate Recovery per GJ	350.0	GJ	x	\$0.007	= 2.4500	350.0	GJ	x	\$0.007	= 2.4500	\$0.000	0.0000	0.00%
7	Rider 5 RSAM per GJ	350.0	GJ	x	\$0.199	= 69.6500	350.0	GJ	x	\$0.199	= 69.6500	\$0.000	0.0000	0.00%
8	Subtotal Delivery Margin Related Charges					\$1,916.62					\$1,916.62		\$0.00	0.00%
9														
10	<u>Commodity Related Charges</u>													
11	Storage and Transport Charge per GJ	350.0	GJ	x	\$0.044	= \$15.40	350.0	GJ	x	\$0.044	= \$15.40	\$0.000	\$0.00	0.00%
12														
13	Cost of Gas (Commodity Cost Recovery Charge) per GJ	350.0	GJ	x	\$1.552	= \$543.20	350.0	GJ	x	\$1.048	= \$366.80	(\$0.504)	(\$176.40)	-7.13%
14	Subtotal Commodity Related Charges					\$558.60					\$382.20		(\$176.40)	-7.13%
15														
16	Total (with effective \$/GJ rate)	350.0			\$7.072	\$2,475.22	350.0		\$6.568		\$2,298.82	(\$0.504)	(\$176.40)	-7.13%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
COMMODITY RELATED CHARGES CHANGES
BCUC ORDERS G-XX-19
RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE

TAB 5
PAGE 3

Line No.	Particular	EXISTING RATES JANUARY 1, 2019			PROPOSED JULY 1, 2019 RATES			Annual Increase/Decrease		
		Quantity	Rate	Annual \$	Quantity	Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA									
2	<u>Delivery Margin Related Charges</u>									
3	Basic Charge per Day	365.25	days x	\$3.6845 =	\$1,345.76	365.25	days x	\$3.6845 =	\$1,345.76	\$0.0000 \$0.00 0.00%
4										
5	Delivery Charge per GJ	3,165.0	GJ x	\$3.492 =	11,052.1800	3,165.0	GJ x	\$3.492 =	11,052.1800	\$0.000 0.0000 0.00%
6	Rider 5 RSAM per GJ	3,165.0	GJ x	\$0.199 =	629.8350	3,165.0	GJ x	\$0.199 =	629.8350	\$0.000 0.0000 0.00%
7	Subtotal Delivery Margin Related Charges				\$13,027.78				\$0.00	0.00%
8										
9	<u>Commodity Related Charges</u>									
10	Storage and Transport Charge per GJ	3,165.0	GJ x	\$0.037 =	\$117.11	3,165.0	GJ x	\$0.037 =	\$117.11	\$0.000 \$0.00 0.00%
11										
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	3,165.0	GJ x	\$1.552 =	\$4,912.08	3,165.0	GJ x	\$1.048 =	\$3,316.92	(\$0.504) (\$1,595.16) -8.83%
13	Subtotal Commodity Related Charges				\$5,029.19				(\$1,595.16)	-8.83%
14										
15	Total (with effective \$/GJ rate)	3,165.0		\$5.705	\$18,056.97	3,165.0		\$5.201	\$16,461.81	(\$0.504) (\$1,595.16) -8.83%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding



ORDER NUMBER

G-xx-xx

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

and

FortisBC Energy Inc.
Application regarding its 2019 Second Quarter Gas Cost Report
And Rate Changes effective July 1, 2019
For the Fort Nelson Service Area

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. On June 5, 2019, FortisBC Energy Inc. (FEI) filed its 2019 Second Quarter Report on the Gas Cost Reconciliation Account (GCRA) and Commodity Cost Recovery Charge for the Fort Nelson Service Area (Fort Nelson) based on a five-day average May 17, 21, 22, 23, and 24, 2019 forward gas prices (the 2019 Second Quarter Report);
- B. The British Columbia Utilities Commission (BCUC) established guidelines for gas cost rate setting in Letter L-5-01 dated February 5, 2001, and further modified the guidelines in Letter L-40-11 dated May 19, 2011 (together the Guidelines);
- C. By Order G-135-18, the BCUC established the current Gas Cost Recovery Charge for the Fort Nelson Service Area at \$1.552/GJ effective January 1, 2019;
- D. In the 2019 Second Quarter Report, using the five-day average forward prices ending May 24, 2019, the GCRA balance is projected to be \$189,900 surplus after tax at June 30, 2019. FEI calculates the GCRA recovery-to-cost ratio would be 148.1 percent for the following 12 months. The tested rate decrease related to the forecast over recovery of costs would be \$0.504/GJ which falls outside the minimum rate change threshold set out in the Guidelines indicating that a rate change for the Commodity Cost Recovery Charge is required effective July 1, 2019;
- E. The proposed Gas Cost Recovery Charge requested in the 2019 Second Quarter Report would decrease the total annual bill for a typical Fort Nelson residential customer with an average annual consumption of 125 gigajoules by approximately \$63 or 7.7 percent;

- F. The BCUC reviewed the 2019 Second Quarter Report and considers that the requested rate changes are warranted, and that Tab 3 of the 2019 Second Quarter Report should be held confidential as requested by FEI, as it contains market sensitive information.

NOW THEREFORE pursuant to section 61(4) of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. The BCUC approves the Commodity Cost Recovery Charge applicable to the Sales Rate Classes in Fort Nelson Service Area decrease by \$0.504/GJ from \$1.552/GJ to \$1.048/GJ effective July 1, 2019.
2. FEI will notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.
3. The information in Tab 3 of the 2019 Second Quarter Report will be held confidential as requested by FEI as it contains market sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month 2019).

BY ORDER

(X. X. last name)
Commissioner