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March 4, 2020

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
2020 First Quarter Gas Cost Report**

The attached materials provide the FortisBC Energy Inc. (FEI or the Company) 2020 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 18, 19, 20, 21 and 24, 2020 forward prices (five-day average forward prices ending February 24, 2020).

CCRA Deferral Account

Based on the five-day average forward prices ending February 24, 2020, the March 31, 2020 CCRA balance is projected to be approximately at zero. Further, based on the five-day average forward prices ending February 24, 2020, the gas purchase cost assumptions, and the forecast commodity cost recoveries at present rates for the 12-month period ending March 31, 2021, and accounting for the projected March 31, 2020 deferral balance, the CCRA trigger ratio is calculated to be 87.3 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 \$0.226/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 24, 2020, 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, 2020 to March 31, 2021 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, 2020, based on the five-day average forward prices ending February 24, 2020, is projected to be approximately \$18 million surplus after tax. Further, the MCRA balance at December 31, 2020 and December 31, 2021, based on the five-day average forward prices ending February 24, 2020 and at existing recovery rates, are projected to be at zero and \$23 million deficit after tax, respectively.

The schedules at Tab 2, Pages 4 to 6, provide details of MCRA gas supply costs for calendar 2019, 2020 and 2021 based on the five-day average forward prices ending February 24, 2020.

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, 2020 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 2020 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 Gurvinder Sidhu at 604-592-7675.

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 2020 TO MAR 2022
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020
\$(Millions)

Tab 1

Page 1

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		Recorded Jan-19	Recorded Feb-19	Recorded Mar-19	Recorded Apr-19	Recorded May-19	Recorded Jun-19	Recorded Jul-19	Recorded Aug-19	Recorded Sep-19	Recorded Oct-19	Recorded Nov-19	Recorded Dec-19	2019 Total
1														
2														
3	CCRA Balance - Beginning (Pre-tax) ^(a)	\$ (13)	\$ (7)	\$ (2)	\$ 9	\$ 4	\$ (2)	\$ (11)	\$ (20)	\$ (26)	\$ (33)	\$ (35)	\$ (26)	\$ (13)
4	Gas Costs Incurred	24	21	28	13	11	8	8	12	10	15	26	29	204
5	Revenue from APPROVED Recovery Rate	(17)	(16)	(17)	(17)	(18)	(17)	(18)	(18)	(17)	(18)	(17)	(18)	(206)
6	CCRA Balance - Ending (Pre-tax)	\$ (7)	\$ (2)	\$ 9	\$ 4	\$ (2)	\$ (11)	\$ (20)	\$ (26)	\$ (33)	\$ (35)	\$ (26)	\$ (15)	\$ (15)
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)	\$ (5)	\$ (2)	\$ 6	\$ 3	\$ (1)	\$ (8)	\$ (15)	\$ (19)	\$ (24)	\$ (26)	\$ (19)	\$ (11)	\$ (11)
11														
12														
13		Recorded Jan-20	Projected Feb-20	Projected Mar-20										Jan-20 to Mar-20
14														
15	CCRA Balance - Beginning (Pre-tax) ^(a)	\$ (15)	\$ (6)	\$ 1										\$ (15)
16	Gas Costs Incurred	28	24	22										74
17	Revenue from APPROVED Recovery Rate	(19)	(17)	(19)										(56)
18	CCRA Balance - Ending (Pre-tax) ^(b)	\$ (6)	\$ 1	\$ 0										\$ 0
19														
20	Tax Rate	27.0%	27.0%	27.0%										27.0%
21														
22	CCRA Balance - Ending (After-tax) ^(c)	\$ (4)	\$ 0	\$ 0										\$ 0
23														
24														
25														
26		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
27														
28	CCRA Balance - Beginning (Pre-tax) ^(a)	\$ 0	\$ 0	\$ (1)	\$ (2)	\$ (1)	\$ (1)	\$ 1	\$ 3	\$ 7	\$ 14	\$ 22	\$ 28	\$ 0
29	Gas Costs Incurred	18	18	18	20	20	20	21	23	26	27	24	24	259
30	Revenue from EXISTING Recovery Rates	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(17)	(19)	(226)
31	CCRA Balance - Ending (Pre-tax) ^(b)	\$ 0	\$ (1)	\$ (2)	\$ (1)	\$ (1)	\$ 1	\$ 3	\$ 7	\$ 14	\$ 22	\$ 28	\$ 33	\$ 33
32														
33	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%
34														
35	CCRA Balance - Ending (After-tax) ^(c)	\$ 0	\$ (1)	\$ (2)	\$ (1)	\$ (0)	\$ 1	\$ 2	\$ 5	\$ 10	\$ 16	\$ 20	\$ 24	\$ 24
36														
37														
38														
39		Forecast Apr-21	Forecast May-21	Forecast Jun-21	Forecast Jul-21	Forecast Aug-21	Forecast Sep-21	Forecast Oct-21	Forecast Nov-21	Forecast Dec-21	Forecast Jan-22	Forecast Feb-22	Forecast Mar-22	Apr-21 to Mar-22
40														
41	CCRA Balance - Beginning (Pre-tax) ^(a)	\$ 33	\$ 34	\$ 34	\$ 35	\$ 37	\$ 39	\$ 41	\$ 44	\$ 48	\$ 56	\$ 64	\$ 72	\$ 33
42	Gas Costs Incurred	20	19	19	21	21	20	22	23	27	27	24	25	269
43	Revenue from EXISTING Recovery Rates	(18)	(19)	(18)	(19)	(19)	(18)	(19)	(18)	(19)	(19)	(17)	(19)	(225)
44	CCRA Balance - Ending (Pre-tax) ^(b)	\$ 34	\$ 34	\$ 35	\$ 37	\$ 39	\$ 41	\$ 44	\$ 48	\$ 56	\$ 64	\$ 72	\$ 77	\$ 77
45														
46	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%
47														
48	CCRA Balance - Ending (After-tax) ^(c)	\$ 25	\$ 25	\$ 26	\$ 27	\$ 28	\$ 30	\$ 32	\$ 35	\$ 41	\$ 47	\$ 52	\$ 56	\$ 56

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 \$2.6 million credit as at March 31, 2020.

(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 2020 TO MAR 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

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 Apr 1, 2020	\$ 0.4				(Tab 1, Page 1, Col.14, Line 28)
4	Forecast Incurred Gas Costs - Apr 2020 to Mar 2021	\$ 258.8				(Tab 1, Page 1, Col.14, Line 29)
5	Forecast Recovery Gas Costs at Existing Recovery Rate - Apr 2020 to Mar 2021	\$ 226.3				(Tab 1, Page 1, Col.14, Line 30)
6						
7	CCRA = Forecast Recovered Gas Costs (Line 5)	= \$ 226.3		= 87.3%		
8	Ratio Forecast Incurred Gas Costs (Line 4) + Projected CCRA Balance (Line 3)	\$ 259.2				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 2020 to Mar 2021		146,095			(Tab1, Page 7, Col.5, Line 11)
21	(a)					
22	Projected Deferral Balance at Apr 1, 2020	\$ 0.4			\$ 0.0030	(b)
23	Forecast 12-month CCRA Activities - Apr 2020 to Mar 2021	\$ 32.5			\$ 0.2225	(b)
24	(Over) / Under Recovery at Existing Rate	\$ 32.9				(Line 3 + Line 4 - Line 5)
25						
26	Tested Rate (Decrease) / Increase				\$ 0.226	(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 2020 TO DEC 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

Tab 1
Page 3

\$(Millions)														
No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Total
2		Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	2019
3	MCRA Cumulative Balance - Beginning (Pre-tax) ^(a)	\$ (6)	\$ (13)	\$ 7	\$ 16	\$ 8	\$ 9	\$ 14	\$ 17	\$ 18	\$ 15	\$ 10	\$ (5)	\$ (6)
4	2019 MCRA Activities													
5	<u>Rate Rider 6</u> ^(d)													
6	Amount to be amortized in 2019													
7	Rider 6 Amortization at APPROVED 2019 Rates	\$ (3)	\$ 1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3
8	<u>Midstream Base Rates</u>													
9	Gas Costs Incurred	\$ 34	\$ 71	\$ 39	\$ 4	\$ (1)	\$ (0)	\$ (4)	\$ (6)	\$ (7)	\$ 12	\$ 18	\$ 28	\$ 188
10	Revenue from APPROVED 2019 Recovery Rates	(42)	(51)	(31)	(12)	2	5	6	7	4	(17)	(33)	(44)	(206)
11	Total Midstream Base Rates (Pre-tax)	\$ (8)	\$ 20	\$ 8	\$ (8)	\$ 1	\$ 5	\$ 2	\$ 1	\$ (3)	\$ (5)	\$ (15)	\$ (16)	\$ (18)
12														
13	MCRA Cumulative Balance - Ending (Pre-tax)	\$ (13)	\$ 7	\$ 16	\$ 8	\$ 9	\$ 14	\$ 17	\$ 18	\$ 15	\$ 10	\$ (5)	\$ (20)	\$ (20)
14	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%
15														
16	MCRA Cumulative Balance - Ending (After-tax) ^(c)	\$ (10)	\$ 5	\$ 12	\$ 6	\$ 7	\$ 11	\$ 12	\$ 13	\$ 11	\$ 7	\$ (3)	\$ (15)	\$ (15)
17														
18														
19		Recorded	Projected	Projected	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
20		Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	2020
21	MCRA Balance - Beginning (Pre-tax) ^(a)	\$ (20)	\$ (21)	\$ (20)	\$ (25)	\$ (25)	\$ (19)	\$ (14)	\$ (9)	\$ (6)	\$ (3)	\$ 0	\$ 2	\$ (20)
22	2020 MCRA Activities													
23	<u>Rate Rider 6</u> ^(d)													
24	Amount to be amortized in 2020													
25	Rider 6 Amortization at APPROVED 2020 Rates	\$ 1	\$ 1	\$ 1	\$ 1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 10
26	<u>Midstream Base Rates</u>													
27	Gas Costs Incurred	\$ 38	\$ 31	\$ 25	\$ 12	\$ 4	\$ (0)	\$ (4)	\$ (6)	\$ (2)	\$ 10	\$ 27	\$ 35	\$ 169
28	Revenue from APPROVED Recovery Rates	(40)	(31)	(25)	(13)	0	5	8	9	5	(8)	(26)	(39)	(154)
29	Total Midstream Base Rates (Pre-tax)	\$ (2)	\$ (1)	\$ (0)	\$ (1)	\$ 5	\$ 5	\$ 5	\$ 3	\$ 3	\$ 2	\$ 1	\$ (4)	\$ 15
30														
31	MCRA Cumulative Balance - Ending (Pre-tax) ^(b)	\$ (21)	\$ (20)	\$ (25)	\$ (25)	\$ (19)	\$ (14)	\$ (9)	\$ (6)	\$ (3)	\$ 0	\$ 2	\$ (1)	\$ (1)
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	MCRA Cumulative Balance - Ending (After-tax) ^(c)	\$ (15)	\$ (15)	\$ (18)	\$ (18)	\$ (14)	\$ (10)	\$ (7)	\$ (5)	\$ (2)	\$ 0	\$ 1	\$ (0)	\$ (0)
35														
36														
37		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
38		Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	2021
39	MCRA Balance - Beginning (Pre-tax) ^(a)	\$ (1)	\$ (2)	\$ 0	\$ 2	\$ 3	\$ 8	\$ 14	\$ 19	\$ 22	\$ 26	\$ 30	\$ 32	\$ (1)
40	2021 MCRA Activities													
41	<u>Rate Rider 6</u>													
42														
43	Rider 6 Amortization at APPROVED 2020 Rates	\$ 1	\$ 1	\$ 1	\$ 1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 10
44	<u>Midstream Base Rates</u>													
45	Gas Costs Incurred	\$ 37	\$ 33	\$ 27	\$ 14	\$ 5	\$ 0	\$ (3)	\$ (6)	\$ (1)	\$ 11	\$ 28	\$ 38	\$ 185
46	Revenue from EXISTING Recovery Rates	(40)	(32)	(26)	(14)	(0)	4	8	8	5	(9)	(27)	(40)	(163)
47	Total Midstream Base Rates (Pre-tax)	\$ (3)	\$ 1	\$ 1	\$ 0	\$ 5	\$ 5	\$ 5	\$ 3	\$ 4	\$ 3	\$ 1	\$ (2)	\$ 22
48														
49	MCRA Cumulative Balance - Ending (Pre-tax) ^(b)	\$ (2)	\$ 0	\$ 2	\$ 3	\$ 8	\$ 14	\$ 19	\$ 22	\$ 26	\$ 30	\$ 32	\$ 31	\$ 31
50	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%
51														
52	MCRA Cumulative Balance - Ending (After-tax) ^(c)	\$ (1)	\$ 0	\$ 1	\$ 2	\$ 6	\$ 10	\$ 14	\$ 16	\$ 19	\$ 22	\$ 23	\$ 23	\$ 23

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 \$5.2 million credit as at March 31, 2020.
(c) For rate setting purposes MCRA after-tax balances are independently grossed-up to reflect pre-tax amounts.
(d) BCUC Order G-306-19 approved the 1/2 projected MCRA cumulative balance at December 31, 2019 to be amortized into 2020 midstream rates, via Rider 6, as filed in the FEI 2019 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 2022
AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

Tab 1
Page 4.1

Line No	Particulars		Five-day Average Forward Prices - Feb 18, 19, 20, 21, and 24, 2020 2020 Q1 Gas Cost Report		Five-day Average Forward Prices - Nov 5, 6, 7, 8, and 12, 2019 2019 Q4 Gas Cost Report		Change in Forward Price
	(1)		(2)		(3)		(4) = (2) - (3)
1	SUMAS Index Prices - presented in \$US/MMBtu						
2							
3	2019	October	↑	\$ 2.53	Settled	\$ 2.53	\$ -
4		November		\$ 3.36	Forecast	\$ 3.41	\$ (0.05)
5		December		\$ 6.70		\$ 3.84	\$ 2.86
6	2020	January	Settled Forecast ↓	\$ 3.73		\$ 3.59	\$ 0.14
7		February		\$ 1.93		\$ 3.27	\$ (1.35)
8		March		\$ 1.60		\$ 2.45	\$ (0.85)
9		April		\$ 1.41		\$ 1.65	\$ (0.25)
10		May		\$ 1.27		\$ 1.53	\$ (0.26)
11		June		\$ 1.38		\$ 1.71	\$ (0.33)
12		July		\$ 1.74		\$ 1.81	\$ (0.06)
13		August		\$ 1.91		\$ 1.81	\$ 0.09
14		September		\$ 1.81		\$ 1.75	\$ 0.06
15		October		\$ 1.92		\$ 2.76	\$ (0.84)
16		November		\$ 2.21		\$ 2.97	\$ (0.76)
17		December		\$ 3.31		\$ 3.03	\$ 0.28
18	2021	January		\$ 2.32		\$ 2.95	\$ (0.63)
19		February		\$ 2.38		\$ 2.85	\$ (0.46)
20		March		\$ 2.39		\$ 1.97	\$ 0.42
21		April		\$ 1.56		\$ 1.62	\$ (0.06)
22		May		\$ 1.36		\$ 1.50	\$ (0.13)
23		June		\$ 1.46		\$ 1.68	\$ (0.22)
24		July		\$ 1.80		\$ 1.77	\$ 0.03
25		August		\$ 1.94		\$ 1.78	\$ 0.16
26		September		\$ 1.82		\$ 1.71	\$ 0.11
27		October		\$ 1.93		\$ 2.65	\$ (0.72)
28		November		\$ 2.16		\$ 2.87	\$ (0.71)
29		December		\$ 3.23		\$ 2.94	\$ 0.29
30	2022	January		\$ 2.25			
31		February		\$ 2.32			
32		March		\$ 2.29			
33							
34	Simple Average (Apr 2020 - Mar 2021)			\$ 2.00		\$ 2.23	-10.2% \$ (0.23)
35	Simple Average (Jul 2020 - Jun 2021)			\$ 2.03		\$ 2.22	-8.7% \$ (0.19)
36	Simple Average (Oct 2020 - Sep 2021)			\$ 2.04		\$ 2.22	-7.9% \$ (0.18)
37	Simple Average (Jan 2021 - Dec 2021)			\$ 2.03		\$ 2.19	-7.4% \$ (0.16)
38	Simple Average (Apr 2021 - Mar 2022)			\$ 2.01			

Conversation Factors

1 MMBtu = 1.055056 GJ

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

<u>Forecast Apr 2020 - Mar 2021</u>	<u>Forecast Jan 2020 - Dec 2020</u>		
\$ 1.3250	\$ 1.3189	0.5%	\$ 0.0061

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
SUMAS INDEX FORECAST FOR THE PERIOD ENDING MAR 2022

Tab 1
Page 4.2

Line No	Particulars	Five-day Average Forward Prices - Feb 18, 19, 20, 21, and 24, 2020 2020 Q1 Gas Cost Report	Five-day Average Forward Prices - Nov 5, 6, 7, 8, and 12, 2019 2019 Q4 Gas Cost Report	Change in Forward Price (4) = (2) - (3)
	(1)	(2)	(3)	
1	SUMAS Index Prices - presented in \$CDN/GJ			
2				
3	2019			
4	October	↑ \$ 3.18	Settled \$ 3.18	\$ -
5	November	\$ 4.19	Forecast \$ 4.25	\$ (0.06)
6	December	\$ 8.43	\$ 4.81	\$ 3.63
7	2020	Settled \$ 4.59	↓ \$ 4.49	\$ 0.10
8	January	Forecast \$ 2.42	\$ 4.09	\$ (1.68)
9	February	\$ 2.00	\$ 3.06	\$ (1.06)
10	March	\$ 1.77	\$ 2.07	\$ (0.30)
11	April	↓ \$ 1.59	\$ 1.91	\$ (0.31)
12	May	\$ 1.73	\$ 2.14	\$ (0.41)
13	June	\$ 2.19	\$ 2.26	\$ (0.07)
14	July	\$ 2.39	\$ 2.27	\$ 0.13
15	August	\$ 2.27	\$ 2.18	\$ 0.09
16	September	\$ 2.42	\$ 3.45	\$ (1.03)
17	October	\$ 2.78	\$ 3.71	\$ (0.93)
18	November	\$ 4.16	\$ 3.79	\$ 0.36
19	December	\$ 2.91	\$ 3.68	\$ (0.77)
20	2021	\$ 2.99	\$ 3.56	\$ (0.56)
21	January	\$ 3.00	\$ 2.46	\$ 0.54
22	February	\$ 1.96	\$ 2.03	\$ (0.07)
23	March	\$ 1.71	\$ 1.87	\$ (0.16)
24	April	\$ 1.83	\$ 2.10	\$ (0.27)
25	May	\$ 2.26	\$ 2.21	\$ 0.05
26	June	\$ 2.43	\$ 2.22	\$ 0.21
27	July	\$ 2.29	\$ 2.14	\$ 0.15
28	August	\$ 2.42	\$ 3.31	\$ (0.89)
29	September	\$ 2.71	\$ 3.58	\$ (0.87)
30	October	\$ 4.06	\$ 3.69	\$ 0.37
31	November	\$ 2.83		
32	December	\$ 2.91		
33	2022	\$ 2.89		
34	January			
35	February			
36	March			
37	Simple Average (Apr 2020 - Mar 2021)	\$ 2.52	\$ 2.79	-9.8% \$ (0.27)
38	Simple Average (Jul 2020 - Jun 2021)	\$ 2.55	\$ 2.78	-8.2% \$ (0.23)
	Simple Average (Oct 2020 - Sep 2021)	\$ 2.56	\$ 2.77	-7.5% \$ (0.21)
	Simple Average (Jan 2021 - Dec 2021)	\$ 2.55	\$ 2.74	-6.9% \$ (0.19)
	Simple Average (Apr 2021 - Mar 2022)	\$ 2.53		

Conversion Factors
1 MMBtu = 1.055056 GJ

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

Forecast Apr 2020 - Mar 2021	Forecast Jan 2020 - Dec 2020		
\$ 1.3250	\$ 1.3189	0.5%	\$ 0.0061

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
AECO INDEX FORECAST FOR THE PERIOD ENDING MAR 2022

Tab 1
Page 5

		Five-day Average Forward Prices - Feb 18, 19, 20, 21, and 24, 2020		Five-day Average Forward Prices - Nov 5, 6, 7, 8, and 12, 2019		Change in Forward Price	
Line No	Particulars	2020 Q1 Gas Cost Report		2019 Q4 Gas Cost Report		(4) = (2) - (3)	
	(1)	(2)		(3)			
1	AECO Index Prices - \$CDN/GJ						
2							
3	2019	October	↑ \$ 1.66	Settled	\$ 1.66	\$	-
4		November	\$ 2.33	Forecast	\$ 2.32	\$	0.00
5		December	\$ 2.65		\$ 2.48	\$	0.17
6	2020	January	Settled \$ 2.30		\$ 2.40	\$	(0.10)
7		February	Forecast \$ 2.11		\$ 2.33	\$	(0.22)
8		March	\$ 1.67		\$ 1.90	\$	(0.23)
9		April	\$ 1.58		\$ 1.68	\$	(0.10)
10		May	↓ \$ 1.51		\$ 1.60	\$	(0.09)
11		June	\$ 1.55		\$ 1.58	\$	(0.03)
12		July	\$ 1.65		\$ 1.57	\$	0.08
13		August	\$ 1.63		\$ 1.61	\$	0.02
14		September	\$ 1.70		\$ 1.63	\$	0.07
15		October	\$ 1.73		\$ 1.73	\$	(0.00)
16		November	\$ 1.85		\$ 1.85	\$	0.00
17		December	\$ 1.98		\$ 2.06	\$	(0.08)
18	2021	January	\$ 2.08		\$ 2.21	\$	(0.12)
19		February	\$ 2.05		\$ 2.14	\$	(0.09)
20		March	\$ 1.90		\$ 1.92	\$	(0.02)
21		April	\$ 1.64		\$ 1.66	\$	(0.02)
22		May	\$ 1.58		\$ 1.65	\$	(0.07)
23		June	\$ 1.61		\$ 1.68	\$	(0.08)
24		July	\$ 1.68		\$ 1.76	\$	(0.08)
25		August	\$ 1.69		\$ 1.77	\$	(0.08)
26		September	\$ 1.67		\$ 1.76	\$	(0.09)
27		October	\$ 1.77		\$ 1.85	\$	(0.07)
28		November	\$ 1.86		\$ 1.95	\$	(0.09)
29		December	\$ 2.07		\$ 2.17	\$	(0.10)
30	2022	January	\$ 2.16				
31		February	\$ 2.13				
32		March	\$ 1.94				
33							
34	Simple Average (Apr 2020 - Mar 2021)		\$ 1.77		\$ 1.80	-1.7%	\$ (0.03)
35	Simple Average (Jul 2020 - Jun 2021)		\$ 1.78		\$ 1.81	-1.5%	\$ (0.03)
36	Simple Average (Oct 2020 - Sep 2021)		\$ 1.79		\$ 1.85	-3.3%	\$ (0.06)
37	Simple Average (Jan 2021 - Dec 2021)		\$ 1.80		\$ 1.88	-4.0%	\$ (0.08)
38	Simple Average (Apr 2021 - Mar 2022)		\$ 1.82				

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
STATION 2 INDEX FORECAST FOR THE PERIOD ENDING MAR 2022

Tab 1
Page 6

Line No	Particulars	Five-day Average Forward Prices - Feb 18, 19, 20, 21, and 24, 2020 2020 Q1 Gas Cost Report	Five-day Average Forward Prices - Nov 5, 6, 7, 8, and 12, 2019 2019 Q3 Gas Cost Report	Change in Forward Price (4) = (2) - (3)
	(1)	(2)	(3)	
1	Station 2 Index Prices - \$CDN/GJ			
2				
3	2019			
4	October	↑ \$ 0.95	Settled \$ 0.95	\$ -
5	November	\$ 1.40	Forecast \$ 1.25	\$ 0.15
6	December	\$ 2.66	\$ 1.91	\$ 0.75
7	2020	Settled \$ 2.15	↓ \$ 2.10	\$ 0.06
8	January	Forecast \$ 1.85	\$ 2.13	\$ (0.28)
9	February	\$ 1.58	\$ 1.67	\$ (0.09)
10	March	↓ \$ 1.48	\$ 1.40	\$ 0.07
11	April	\$ 1.35	\$ 1.31	\$ 0.04
12	May	\$ 1.41	\$ 1.29	\$ 0.12
13	June	\$ 1.55	\$ 1.30	\$ 0.26
14	July	\$ 1.54	\$ 1.34	\$ 0.20
15	August	\$ 1.61	\$ 1.36	\$ 0.25
16	September	\$ 1.64	\$ 1.46	\$ 0.18
17	October	\$ 1.80	\$ 1.74	\$ 0.07
18	November	\$ 1.93	\$ 1.95	\$ (0.02)
19	2021	January	\$ 2.03	\$ (0.07)
20	February	\$ 2.00	\$ 2.04	\$ (0.04)
21	March	\$ 1.85	\$ 1.82	\$ 0.03
22	April	\$ 1.59	\$ 1.58	\$ 0.01
23	May	\$ 1.52	\$ 1.57	\$ (0.04)
24	June	\$ 1.55	\$ 1.60	\$ (0.05)
25	July	\$ 1.62	\$ 1.67	\$ (0.05)
26	August	\$ 1.63	\$ 1.68	\$ (0.05)
27	September	\$ 1.62	\$ 1.67	\$ (0.06)
28	October	\$ 1.72	\$ 1.76	\$ (0.04)
29	November	\$ 1.81	\$ 1.85	\$ (0.05)
30	December	\$ 2.02	\$ 2.07	\$ (0.05)
31	2022	January	\$ 2.11	
32	February	\$ 2.08		
33	March	\$ 1.89		
34	Simple Average (Apr 2020 - Mar 2021)	\$ 1.68	\$ 1.59	5.7% \$ 0.09
35	Simple Average (Jul 2020 - Jun 2021)	\$ 1.72	\$ 1.65	3.9% \$ 0.06
36	Simple Average (Oct 2020 - Sep 2021)	\$ 1.73	\$ 1.74	-0.5% \$ (0.01)
37	Simple Average (Jan 2021 - Dec 2021)	\$ 1.75	\$ 1.79	-2.2% \$ (0.04)
38	Simple Average (Apr 2021 - Mar 2022)	\$ 1.76		

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
GAS BUDGET COST SUMMURY FOR THE FORECAST PERIOD APR 2020 TO MAR 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

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		\$ 191,833		114,831	\$ 1.671	
4	AECO		65,383		36,999	\$ 1.767	
5	Huntingdon		-		-		
6	Commodity Costs before Hedging		\$ 257,215		151,830	\$ 1.694	incl. Receipt Point Fuel 2019/20 Percentages Amendment.
7	Hedging Cost / (Gain)		-		-		
8	Subtotal Commodity Purchased		\$ 257,215		151,830	\$ 1.694	
9	Core Market Administration Costs		1,594		-		
10	Fuel Gas Provided to Midstream				(5,734)		
11	Total CCRA Baseload				146,095		
12	Total CCRA Costs		\$ 258,809			\$ 1.772	Commodity available for sale average unit cost
13							
14							
15	MCRA						
16	<u>Midstream Commodity Related Costs</u>						
17	Midstream Commodity before Hedging		\$ 88,211		36,552	\$ 2.413	
18	Hedging Cost / (Gain)		-		-		
19	Imbalance		(1,813)		(829)		
20	Company Use Gas Recovered from O&M		(5,029)		(701)		
21	Injections into Storage	\$ (51,325)		(31,395)		\$ 1.635	
22	Withdrawals from Storage	51,465		31,386		\$ 1.640	
23	Storage Withdrawal / (Injection) Activity		140		(9)		
24	Total Midstream Commodity Related Costs		\$ 81,508		35,012	\$ 2.328	
25							
26	<u>Storage Related Costs</u>						
27	Storage Demand - Third Party Storage	\$ 38,473					
28	On-System Storage - Mt. Hayes (LNG)	18,936					
29	Total Storage Related Costs		57,408				
30							
31	<u>Transport Related Costs</u>		178,440				
32							
33	<u>Mitigation</u>						
34	Commodity Mitigation	\$ (81,745)			(32,804)		
35	Storage Mitigation	-					
36	Transportation Mitigation	(67,865)					
37	Total Mitigation		(149,610)				
38							
39	<u>GSMIP Incentive Sharing</u>		1,000				
40							
41	<u>Core Market Administration Costs</u>		3,719				
42							
43	Net Transportation Fuels ^(a)			(470)			
44	UAF (Sales and T-Service) ^(b)			(1,738)			
45	<u>UAF & Net Transportation Fuels</u>				(2,208)		
46							
47	Net MCRA Commodity (Lines 24, 34 & 45)				-		
48	Total MCRA Costs (Lines 24, 29, 31, 37, 39, & 41)		\$ 172,466			\$ 1.146	Midstream average unit cost
49	Total Sales Quantities for RS1 to RS7				150,449		
50	Total Forecast Gas Costs (Lines 12 & 48)		\$ 431,276				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 2020 TO MAR 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020
\$(Millions)

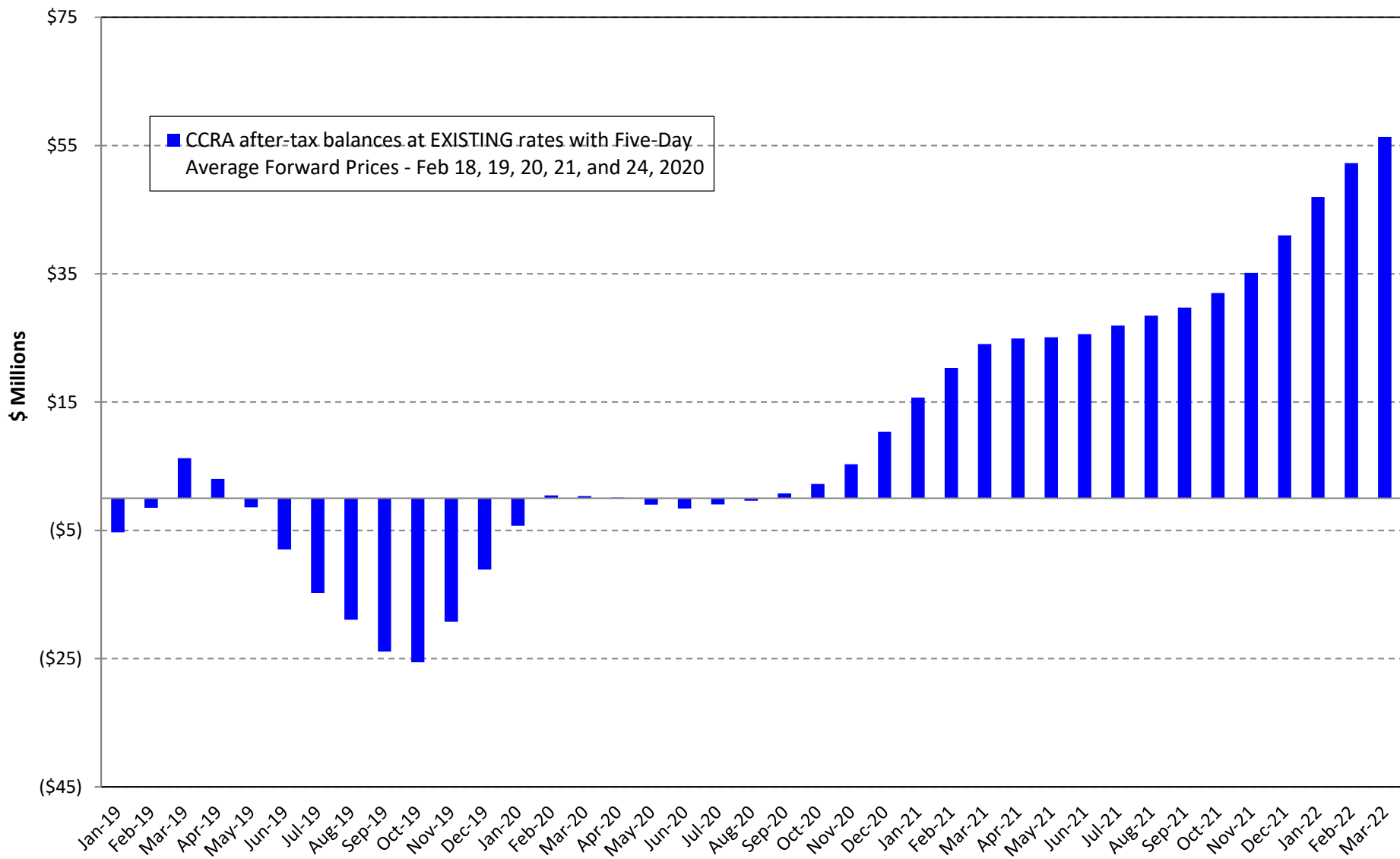
Tab 1
Page 8

No.	Particulars	CCRA / MCRA Deferral Account Forecast	Gas Budget Cost Summary	References
	(1)	(2)	(3)	(4)
1	Gas Cost Incurred			
2	CCRA	\$ 259		(Tab 1, Page 1, Col.14, Line 29)
3	MCRA	172		(Tab 2, Page 7.1, Col.15, Line 33)
4				
5				
6	Gas Budget Cost Summary			
7	CCRA		\$ 259	(Tab 1, Page 7, Col.3, Line 12)
8	MCRA		172	(Tab 1, Page 7, Col.3, Line 48)
9				
10				
11	Totals Reconciled	\$ 431	\$ 431	

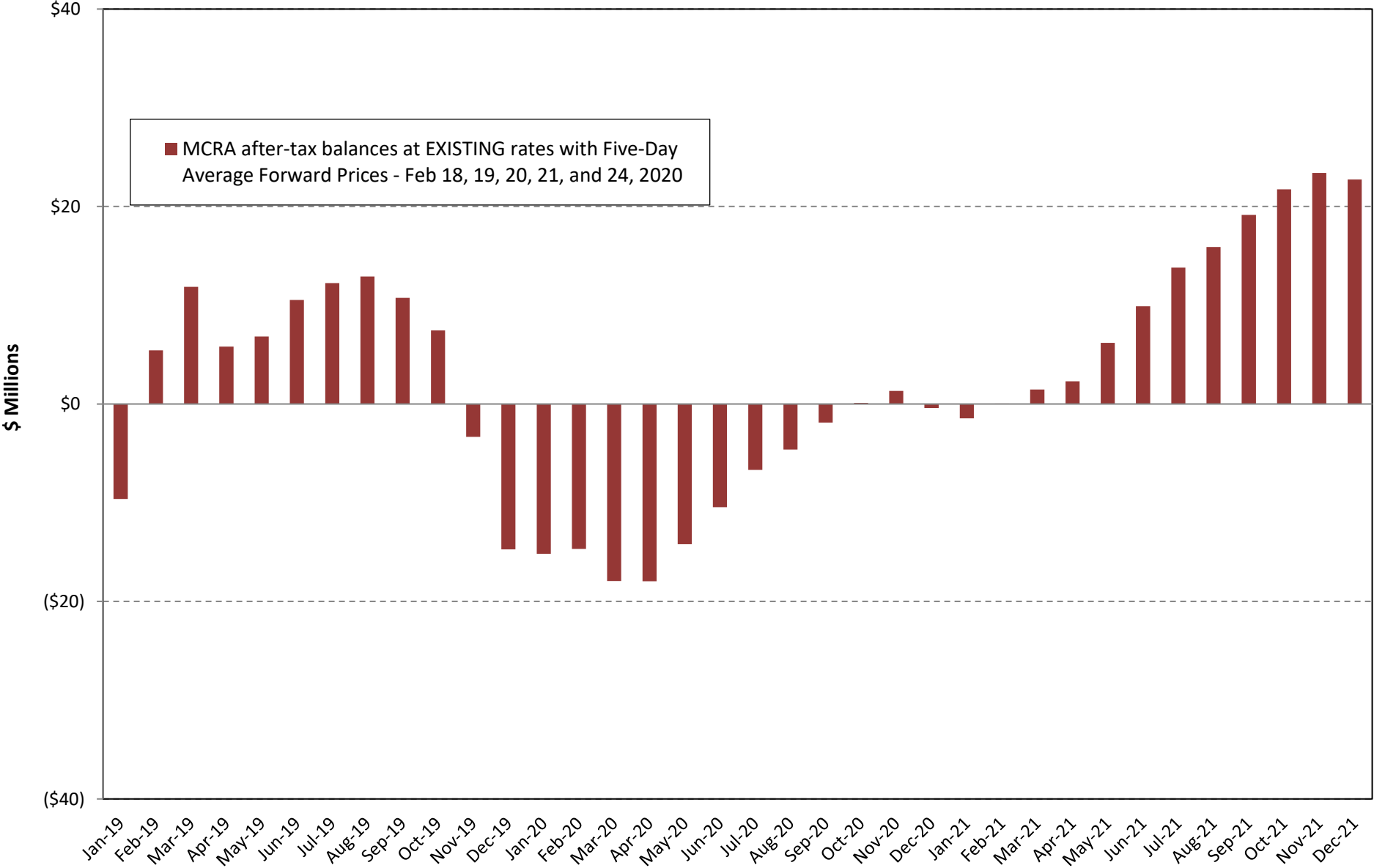
Slight differences in totals due to rounding.

FortisBC Energy Inc. - Mainland and Vancouver Island Service Area
 CCRA After-Tax Monthly Balances
 Recorded to January 2020 and Forecast to March 2022

Tab 1
 Page 9



FortisBC Energy Inc. - Mainland and Vancouver Island Service Area
MCRA After-Tax Monthly Balances
Recorded to January 2020 and Forecast to December 2021



FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
CCRA INCURRED MONTHLY ACTIVITIES
RECORDED PERIOD TO JAN 2020 AND FORECAST TO MAR 2020
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

Tab 2
Page 1

Line No.		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Recorded Jan-19	Recorded Feb-19	Recorded Mar-19	Recorded Apr-19	Recorded May-19	Recorded Jun-19	Recorded Jul-19	Recorded Aug-19	Recorded Sep-19	Recorded Oct-19	Recorded Nov-19	Recorded Dec-19	2019 Total
1															
2															
3	CCRA QUANTITIES														
4	Commodity Purchase	(TJ)													
5	STN 2		8,890	8,031	8,890	8,672	8,963	8,672	8,989	8,991	8,707	9,015	8,636	8,923	105,379
6	AECO		2,803	2,532	2,803	2,734	2,826	2,734	2,836	2,836	2,745	2,842	2,741	2,832	33,262
7	Total Commodity Purchased		11,693	10,562	11,693	11,406	11,788	11,407	11,825	11,828	11,452	11,857	11,376	11,755	138,641
8	Fuel Gas Provided to Midstream		(482)	(435)	(482)	(470)	(486)	(470)	(482)	(482)	(472)	(489)	(414)	(428)	(5,593)
9	Commodity Available for Sale		11,211	10,127	11,210	10,935	11,302	10,936	11,343	11,346	10,979	11,368	10,963	11,328	133,048
10															
11	CCRA COSTS														
12	Commodity Costs	(\$000)													
13	STN 2		\$ 16,516	\$ 14,225	\$ 21,976	\$ 9,270	\$ 7,577	\$ 5,805	\$ 5,678	\$ 8,954	\$ 7,423	\$ 10,036	\$ 18,927	\$ 24,936	\$ 151,323
14	AECO		4,731	5,909	6,370	3,145	3,741	2,016	2,432	2,808	2,654	5,172	6,813	7,023	52,812
15	Commodity Costs before Hedging		\$ 21,247	\$ 20,133	\$ 28,346	\$ 12,416	\$ 11,317	\$ 7,821	\$ 8,110	\$ 11,762	\$ 10,077	\$ 15,207	\$ 25,740	\$ 31,959	\$ 204,135
16	Hedging Cost / (Gain)		2,136	680	(457)	-	-	-	-	-	-	-	(238)	(3,407)	(1,286)
17	Core Market Administration Costs		136	87	122	101	117	134	125	128	99	142	109	144	1,445
18	Total CCRA Costs		\$ 23,518	\$ 20,900	\$ 28,011	\$ 12,517	\$ 11,434	\$ 7,955	\$ 8,236	\$ 11,890	\$ 10,176	\$ 15,349	\$ 25,611	\$ 28,697	\$ 204,294
19															
20															
21	CCRA Unit Cost	(\$/GJ)	\$ 2.098	\$ 2.064	\$ 2.499	\$ 1.145	\$ 1.012	\$ 0.727	\$ 0.726	\$ 1.048	\$ 0.927	\$ 1.350	\$ 2.336	\$ 2.533	\$ 1.535
22															
23															
24															
25															
26															
27			Recorded Jan-20	Projected Feb-20	Projected Mar-20										Jan-20 to Mar-20 Total
28															
29	CCRA QUANTITIES														
30	Commodity Purchase	(TJ)													
31	STN 2		9,668	8,809	9,753										28,230
32	AECO		3,062	2,838	3,142										9,043
33	Total Commodity Purchased		12,730	11,647	12,895										37,273
34	Fuel Gas Provided to Midstream		(481)	(440)	(487)										(1,408)
35	Commodity Available for Sale		12,249	11,207	12,408										35,865
36															
37	CCRA COSTS														
38	Commodity Costs	(\$000)													
39	STN 2		\$ 21,811	\$ 16,668	\$ 14,688										\$ 53,168
40	AECO		6,899	5,999	5,261										18,159
41	Commodity Costs before Hedging		\$ 28,710	\$ 22,667	\$ 19,950										\$ 71,327
42	Hedging Cost / (Gain)		(568)	1,095	1,494										2,020
43	Core Market Administration Costs		129	133	133										395
44	Total CCRA Costs		\$ 28,270	\$ 23,895	\$ 21,576										\$ 73,742
45															
46															
47	CCRA Unit Cost	(\$/GJ)	\$ 2.308	\$ 2.132	\$ 1.739										\$ 2.056

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
CCRA INCURRED MONTHLY ACTIVITIES
FORECAST PERIOD FROM APR 2020 TO MAR 2022
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

Tab 2
Page 2

Line 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-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
3	CCRA QUANTITIES													
4	Commodity Purchase	(TJ)												
5	STN 2	9,438	9,753	9,438	9,753	9,753	9,438	9,753	9,438	9,753	9,753	8,809	9,753	114,831
6	AECO	3,041	3,142	3,041	3,142	3,142	3,041	3,142	3,041	3,142	3,142	2,838	3,142	36,999
7	Total Commodity Purchased	12,479	12,895	12,479	12,895	12,895	12,479	12,895	12,479	12,895	12,895	11,647	12,895	151,830
8	Fuel Gas Provided to Midstream	(471)	(487)	(471)	(487)	(487)	(471)	(487)	(471)	(487)	(487)	(440)	(487)	(5,734)
9	Commodity Available for Sale	12,008	12,408	12,008	12,408	12,408	12,008	12,408	12,008	12,408	12,408	11,207	12,408	146,095
10														
11	CCRA COSTS	(\$000)												
12	Commodity Costs													
13	STN 2	\$ 13,357	\$ 12,818	\$ 12,931	\$ 14,765	\$ 14,772	\$ 14,815	\$ 15,711	\$ 17,054	\$ 19,823	\$ 19,826	\$ 17,710	\$ 18,251	\$ 191,833
14	AECO	4,815	4,748	4,732	5,178	5,127	5,175	5,442	5,619	6,219	6,542	5,821	5,966	65,383
15	Commodity Costs before Hedging	\$ 18,173	\$ 17,566	\$ 17,663	\$ 19,943	\$ 19,899	\$ 19,990	\$ 21,152	\$ 22,673	\$ 26,042	\$ 26,368	\$ 23,531	\$ 24,217	\$ 257,215
16	Hedging Cost / (Gain)	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Core Market Administration Costs	133	133	133	133	133	133	133	133	133	133	133	133	1,594
18	Total CCRA Costs	\$ 18,305	\$ 17,699	\$ 17,796	\$ 20,076	\$ 20,031	\$ 20,122	\$ 21,285	\$ 22,806	\$ 26,174	\$ 26,501	\$ 23,664	\$ 24,350	\$ 258,809
19														
20	CCRA Unit Cost	(\$/GJ)	\$ 1.524	\$ 1.426	\$ 1.482	\$ 1.618	\$ 1.614	\$ 1.676	\$ 1.715	\$ 1.899	\$ 2.109	\$ 2.136	\$ 2.112	\$ 1.962
21														
22														
23														
24														
25														
26		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	13-24 months
27		Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total
28	CCRA QUANTITIES													
29	Commodity Purchase	(TJ)												
30	STN 2	9,365	9,677	9,365	9,677	9,677	9,365	9,677	9,365	9,677	9,677	8,740	9,677	113,938
31	AECO	3,017	3,118	3,017	3,118	3,118	3,017	3,118	3,017	3,118	3,118	2,816	3,118	36,711
32	Total Commodity Purchased	12,382	12,795	12,382	12,795	12,795	12,382	12,795	12,382	12,795	12,795	11,557	12,795	150,649
33	Fuel Gas Provided to Midstream	(468)	(483)	(468)	(483)	(483)	(468)	(483)	(468)	(483)	(483)	(436)	(483)	(5,690)
34	Commodity Available for Sale	11,915	12,312	11,915	12,312	12,312	11,915	12,312	11,915	12,312	12,312	11,120	12,312	144,960
35														
36														
37	CCRA COSTS	(\$000)												
38	Commodity Costs													
39	STN 2	\$ 14,526	\$ 14,285	\$ 14,140	\$ 15,551	\$ 15,779	\$ 15,015	\$ 16,512	\$ 17,022	\$ 20,520	\$ 20,403	\$ 18,290	\$ 18,540	\$ 200,583
40	AECO	4,958	4,925	4,850	5,233	5,266	5,043	5,525	5,598	6,461	6,722	6,004	6,054	66,640
41	Commodity Costs before Hedging	\$ 19,484	\$ 19,211	\$ 18,991	\$ 20,783	\$ 21,045	\$ 20,058	\$ 22,037	\$ 22,619	\$ 26,981	\$ 27,125	\$ 24,295	\$ 24,594	\$ 267,223
42	Hedging Cost / (Gain)	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Core Market Administration Costs	133	133	133	133	133	133	133	133	133	133	133	133	1,594
44	Total CCRA Costs	\$ 19,617	\$ 19,343	\$ 19,124	\$ 20,916	\$ 21,178	\$ 20,191	\$ 22,170	\$ 22,752	\$ 27,114	\$ 27,258	\$ 24,428	\$ 24,726	\$ 268,817
45														
46														
47	CCRA Unit Cost	(\$/GJ)	\$ 1.646	\$ 1.571	\$ 1.605	\$ 1.699	\$ 1.720	\$ 1.695	\$ 1.801	\$ 1.910	\$ 2.202	\$ 2.214	\$ 2.197	\$ 2.008
48														

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, 2020 TO MAR 31, 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

Tab 2
Page 3

Line No.	Particulars	Unit	RS-1 to RS-7
	(1)		(2)
1	<u>CCRA Baseload</u>	TJ	146,095
2			
3			
4	<u>CCRA Incurred Costs</u>	\$000	
5	STN 2		\$ 191,832.9
6	AECO		65,382.6
7	CCRA Commodity Costs before Hedging		\$ 257,215.4
8	Hedging Cost / (Gain)		-
9	Core Market Administration Costs		1,593.9
10	Total Incurred Costs before CCRA deferral amortization		\$ 258,809.3
11			
12	Pre-tax CCRA Deficit / (Surplus) as of Apr 1, 2020		437.0
13	Total CCRA Incurred Costs		\$ 259,246.3
14			
15			
16	<u>CCRA Incurred Unit Costs</u>	\$/GJ	
17	CCRA Commodity Costs before Hedging		\$ 1.7606
18	Hedging Cost / (Gain)		-
19	Core Market Administration Costs		0.0109
20	Total Incurred Costs before CCRA deferral amortization		\$ 1.7715
21	Pre-tax CCRA Deficit / (Surplus) as of Apr 1, 2020		0.0030
22	CCRA Gas Costs Incurred -- Flow-Through		\$ 1.7745
23			
24			
25			
26			
27			
28			
29	<u>Cost of Gas (Commodity Cost Recovery Charge)</u>		RS-1 to RS-7
30			
31	TESTED Flow-Through Cost of Gas effective Apr 1, 2020		\$ 1.775
32			
33	Existing Cost of Gas (effective since Jan 1, 2018)		\$ 1.549
34			
35	Cost of Gas Increase / (Decrease)	\$/GJ	\$ 0.226
36			
37	Cost of Gas Percentage Increase / (Decrease)		14.59%

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2019

Tab 2
Page 4

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Recorded Jan-19	Recorded Feb-19	Recorded Mar-19	Recorded Apr-19	Recorded May-19	Recorded Jun-19	Recorded Jul-19	Recorded Aug-19	Recorded Sep-19	Recorded Oct-19	Recorded Nov-19	Recorded 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	\$ 28,855.9	\$ 51,072.1	\$ (51.9)	\$ 9.8	\$ 762.5	\$ (3.4)	\$ 185.8	\$ 7.9	\$ 2,536.5	\$ 21,258.9	\$ 33,805.8	\$ 171,294.0
4	Hedging Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	(414.6)	(6,945.0)	(7,359.7)
5	Imbalance ^(b)	\$ 823.5	(214.9)	685.4	(275.5)	(565.3)	38.8	(251.5)	3.1	(37.2)	62.7	357.8	441.3	631.7	876.3
6	Company Use Gas Recovered from O&M		(584.3)	(340.4)	(244.8)	(1.0)	65.4	(26.0)	(31.4)	108.8	92.6	(74.6)	(217.7)	(427.3)	(1,680.6)
7	Storage Withdrawal / (Injection) Activity ^(c)		5,813.0	9,143.3	2,330.8	709.1	(4,379.1)	(2,902.0)	(1,859.5)	(2,041.0)	(645.3)	(1,440.4)	2,008.3	6,314.9	13,052.2
8	Total Midstream Commodity Related Costs		\$ 37,867.9	\$ 38,344.2	\$ 52,882.6	\$ 91.0	\$ (4,265.1)	\$ (2,417.0)	\$ (1,891.2)	\$ (1,783.5)	\$ (482.0)	\$ 1,379.3	\$ 23,076.1	\$ 33,380.0	\$ 176,182.3
9															
10	<u>Storage Related Costs</u>														
11	Storage Demand - Third Party Storage		\$ 2,662.7	\$ 2,647.7	\$ 2,684.2	\$ 2,625.6	\$ 3,789.5	\$ 3,716.9	\$ 3,686.0	\$ 3,722.8	\$ 3,657.3	\$ 3,632.5	\$ 2,714.0	\$ 2,699.5	\$ 38,238.5
12	On-System Storage - Mt. Hayes (LNG)		1,792.2	1,517.9	1,719.1	1,519.1	1,712.6	1,679.7	1,545.8	1,503.7	1,752.3	1,885.5	1,690.9	1,863.4	20,182.3
13	Total Storage Related Costs		\$ 4,454.9	\$ 4,165.7	\$ 4,403.2	\$ 4,144.7	\$ 5,502.0	\$ 5,396.6	\$ 5,231.8	\$ 5,226.5	\$ 5,409.6	\$ 5,518.0	\$ 4,404.9	\$ 4,562.9	\$ 58,420.7
14															
15	<u>Transportation Related Costs</u>														
16	Enbridge (BC Pipeline) - Westcoast Energy		\$ 11,658.5	\$ 36,809.3	\$ 11,509.2	\$ 11,015.5	\$ 11,248.5	\$ 10,406.9	\$ 11,078.7	\$ 10,770.6	\$ 10,666.3	\$ 11,203.7	\$ 11,276.5	\$ 13,033.1	\$ 160,676.8
17	TransCanada (Foothills BC)		505.1	515.9	510.5	382.1	41.1	730.7	378.2	378.1	375.8	378.1	500.1	504.3	5,199.8
18	TransCanada (NOVA Alta)		956.2	959.8	958.0	938.7	910.2	910.2	869.4	913.4	901.3	901.3	915.3	915.3	11,049.0
19	Northwest Pipeline		765.2	735.0	773.0	373.8	381.5	369.2	364.3	375.5	364.3	374.5	736.9	753.2	6,366.3
20	FortisBC Huntingdon Inc.		10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.6	10.6	124.6
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	183.5	-	-	-	-	-	-	-	-	-	6,728.4
23	Total Transportation Related Costs		\$ 16,873.3	\$ 43,197.1	\$ 14,244.6	\$ 13,020.4	\$ 12,891.7	\$ 12,727.4	\$ 13,000.8	\$ 12,747.8	\$ 12,618.0	\$ 13,168.0	\$ 13,739.2	\$ 15,516.5	\$ 193,745.0
24															
25	<u>Mitigation</u>														
26	Commodity Related Mitigation		\$ (20,638.1)	\$ (11,671.8)	\$ (27,885.8)	\$ (5,877.0)	\$ (4,984.5)	\$ (7,210.3)	\$ (9,420.9)	\$ (8,731.5)	\$ (13,496.1)	\$ (3,111.7)	\$ (20,002.6)	\$ (20,677.0)	\$ (153,707.2)
27	Storage Related Mitigation		(1,066.4)	(168.4)	(259.0)	(986.8)	1,319.5	311.7	(2,443.9)	(6,044.7)	1,496.0	5,090.7	(38.4)	(0.0)	(2,789.6)
28	Transportation Related Mitigation		(4,306.0)	(2,983.3)	(4,693.2)	(7,140.2)	(11,580.5)	(9,526.3)	(8,993.0)	(7,900.9)	(13,309.4)	(10,239.2)	(4,138.8)	(5,509.3)	(90,320.2)
29	Total Mitigation		\$ (26,010.6)	\$ (14,823.5)	\$ (32,838.0)	\$ (14,003.9)	\$ (15,245.5)	\$ (16,424.9)	\$ (20,857.8)	\$ (22,677.1)	\$ (25,309.4)	\$ (8,260.2)	\$ (24,179.9)	\$ (26,186.3)	\$ (246,816.9)
30															
31	<u>GSMIP Incentive Sharing</u>		\$ 252.2	\$ 169.1	\$ 440.0	\$ 374.7	\$ 110.4	\$ 210.6	\$ 228.4	\$ 252.4	\$ 417.9	\$ 222.0	\$ 299.2	\$ 148.8	\$ 3,125.7
32															
33	<u>Core Market Administration Costs</u>		\$ 316.4	\$ 203.2	\$ 285.1	\$ 235.8	\$ 272.6	\$ 313.5	\$ 292.6	\$ 299.3	\$ 230.3	\$ 331.5	\$ 255.1	\$ 337.1	\$ 3,372.5
34	TOTAL MCRA COSTS	(\$000)	\$ 33,754.1	\$ 71,255.8	\$ 39,417.6	\$ 3,862.7	\$ (733.8)	\$ (193.8)	\$ (3,995.3)	\$ (5,934.6)	\$ (7,115.7)	\$ 12,358.5	\$ 17,594.7	\$ 27,759.0	\$ 188,029.2

(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 2020
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

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-20	Projected Feb-20	Projected 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)		\$ 26,419.3	\$ 16,125.6	\$ 11,374.5	\$ 1,662.3	\$ 369.0	\$ 370.7	\$ 418.9	\$ 414.6	\$ 419.2	\$ 2,272.2	\$ 13,340.6	\$ 20,921.9	94,108.7
4	Hedging Cost / (Gain)		(1,162.8)	2,179.4	2,977.5	-	-	-	-	-	-	-	-	-	3,994.0
5	Imbalance ^(b)	\$ 1,699.8	113.3	-	-	-	-	-	-	-	-	-	-	(1,813.2)	(1,699.8)
6	Company Use Gas Recovered from O&M		(544.9)	(717.7)	(612.0)	(428.5)	(240.3)	(212.6)	(161.2)	(107.3)	(149.9)	(225.3)	(481.4)	(782.1)	(4,663.2)
7	Storage Withdrawal / (Injection) Activity ^(c)		8,363.1	7,381.1	7,117.3	(773.0)	(6,730.0)	(7,223.0)	(8,659.2)	(8,396.8)	(7,931.0)	(4,773.3)	7,102.8	9,925.1	(4,596.9)
8	Total Midstream Commodity Related Costs		\$ 33,188.0	\$ 24,968.3	\$ 20,857.2	\$ 460.8	\$ (6,601.4)	\$ (7,064.9)	\$ (8,401.4)	\$ (8,089.5)	\$ (7,661.6)	\$ (2,726.4)	\$ 19,961.9	\$ 28,251.8	\$ 87,142.8
9															
10	<u>Storage Related Costs</u>														
11	Storage Demand - Third Party Storage		\$ 2,702.9	\$ 2,597.4	\$ 2,611.4	\$ 2,637.7	\$ 3,793.9	\$ 3,787.2	\$ 3,827.7	\$ 3,827.7	\$ 3,812.2	\$ 3,683.7	\$ 2,613.5	\$ 2,629.9	\$ 38,525.3
12	On-System Storage - Mt. Hayes (LNG)		1,544.3	1,523.8	1,523.4	1,519.4	1,711.4	1,717.6	1,519.5	1,519.4	1,519.4	1,722.3	1,611.2	1,524.1	18,955.7
13	Total Storage Related Costs		\$ 4,247.2	\$ 4,121.3	\$ 4,134.8	\$ 4,157.1	\$ 5,505.3	\$ 5,504.8	\$ 5,347.2	\$ 5,347.0	\$ 5,331.6	\$ 5,406.0	\$ 4,224.6	\$ 4,154.0	\$ 57,481.0
14															
15	<u>Transportation Related Costs</u>														
16	Enbridge (BC Pipeline) - Westcoast Energy		\$ 11,547.6	\$ 11,836.2	\$ 11,754.4	\$ 11,724.8	\$ 11,351.1	\$ 11,479.2	\$ 11,646.3	\$ 11,617.8	\$ 11,599.8	\$ 11,612.9	\$ 13,291.6	\$ 13,392.9	\$ 142,854.7
17	TransCanada (Foothills BC)		456.2	456.1	456.1	343.7	343.7	343.7	343.7	343.7	343.7	343.7	456.1	456.1	4,686.4
18	TransCanada (NOVA Alta)		1,003.5	990.0	990.0	990.0	990.0	990.0	990.0	990.0	990.0	990.0	990.0	990.0	11,894.0
19	Northwest Pipeline		761.0	752.4	794.1	384.6	384.2	400.3	404.0	398.0	377.7	378.5	743.6	779.7	6,558.2
20	FortisBC Huntingdon Inc.		10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	127.1
21	Southern Crossing Pipeline		300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	1,057.1	1,057.1	5,114.1
22	Total Transportation Related Costs		\$ 14,078.9	\$ 14,345.3	\$ 14,305.1	\$ 13,753.8	\$ 13,379.7	\$ 13,523.9	\$ 13,694.6	\$ 13,660.2	\$ 13,621.8	\$ 13,635.8	\$ 16,549.0	\$ 16,686.3	\$ 171,234.3
23															
24	<u>Mitigation</u>														
25	Commodity Related Mitigation		\$ (13,382.2)	\$ (12,152.6)	\$ (12,991.5)	\$ (1,184.6)	\$ (1,286.9)	\$ (3,151.8)	\$ (4,875.0)	\$ (5,262.6)	\$ (3,903.6)	\$ (1,247.6)	\$ (12,231.3)	\$ (12,574.0)	\$ (84,243.8)
26	Storage Related Mitigation		-	-	-	-	-	-	-	-	-	-	-	-	-
27	Transportation Related Mitigation		(1,146.0)	(1,123.7)	(1,685.1)	(5,466.7)	(7,234.0)	(9,631.9)	(9,725.9)	(12,233.8)	(9,730.7)	(5,662.3)	(2,064.0)	(1,727.3)	(67,431.4)
28	Total Mitigation		\$ (14,528.2)	\$ (13,276.3)	\$ (14,676.6)	\$ (6,651.3)	\$ (8,520.9)	\$ (12,783.7)	\$ (14,600.9)	\$ (17,496.5)	\$ (13,634.3)	\$ (6,909.9)	\$ (14,295.3)	\$ (14,301.2)	\$ (151,675.1)
29															
30	<u>GSMIP Incentive Sharing</u>		\$ 427.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 1,343.9
31															
32	<u>Core Market Administration Costs</u>		\$ 300.7	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 3,709.9
33	TOTAL MCRA COSTS	(\$000)	\$ 37,713.8	\$ 30,551.8	\$ 25,013.9	\$ 12,113.7	\$ 4,155.9	\$ (426.5)	\$ (3,567.3)	\$ (6,185.5)	\$ (1,949.3)	\$ 9,798.7	\$ 26,833.5	\$ 35,184.1	\$ 169,236.8
	(Line 8, 13, 22, 28, 30 & 32)														

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, 2020 opening balance reflects FEI owed Enbridge / Transportation Marketers 627 TJ of gas valued at \$1,699.8K. 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 2021
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Opening balance	Forecast Jan-21	Forecast Feb-21	Forecast Mar-21	Forecast Apr-21	Forecast May-21	Forecast Jun-21	Forecast Jul-21	Forecast Aug-21	Forecast Sep-21	Forecast Oct-21	Forecast Nov-21	Forecast Dec-21	2021 Total
1	MCRA COSTS	(\$000)													
2	<u>Midstream Commodity Related Costs</u>														
3	Midstream Commodity Costs before Hedging ^(a)		\$ 17,492.1	\$ 15,912.9	\$ 14,616.2	\$ 2,967.9	\$ 562.4	\$ 554.1	\$ 598.5	\$ 602.4	\$ 576.8	\$ 2,881.4	\$ 13,021.7	\$ 20,724.3	\$ 90,510.7
4	Hedging Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
5	Imbalance ^(b)	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Company Use Gas Recovered from O&M		(910.7)	(717.7)	(612.0)	(428.5)	(240.3)	(212.6)	(161.2)	(107.3)	(149.9)	(225.3)	(481.4)	(782.1)	(5,029.0)
7	Storage Withdrawal / (Injection) Activity ^(c)		10,021.1	9,187.9	8,389.1	(1,132.9)	(7,042.1)	(7,687.7)	(8,893.3)	(9,002.4)	(7,552.8)	(4,698.7)	7,455.7	10,369.1	(586.9)
8	Total Midstream Commodity Related Costs		\$ 26,602.5	\$ 24,383.1	\$ 22,393.3	\$ 1,406.5	\$ (6,719.9)	\$ (7,346.2)	\$ (8,456.0)	\$ (8,507.3)	\$ (7,125.9)	\$ (2,042.6)	\$ 19,996.1	\$ 30,311.2	\$ 84,894.8
9															
10	<u>Storage Related Costs</u>														
11	Storage Demand - Third Party Storage		\$ 2,629.9	\$ 2,605.5	\$ 2,623.7	\$ 2,644.5	\$ 3,803.9	\$ 3,797.4	\$ 3,841.7	\$ 3,850.1	\$ 3,823.5	\$ 3,690.7	\$ 2,613.7	\$ 2,630.2	\$ 38,554.9
12	On-System Storage - Mt. Hayes (LNG)		1,524.3	1,523.8	1,523.4	1,519.4	1,711.4	1,717.6	1,519.5	1,519.4	1,519.4	1,722.3	1,611.2	1,524.1	18,935.7
13	Total Storage Related Costs		\$ 4,154.2	\$ 4,129.3	\$ 4,147.1	\$ 4,163.9	\$ 5,515.3	\$ 5,515.1	\$ 5,361.2	\$ 5,369.5	\$ 5,342.9	\$ 5,413.0	\$ 4,224.9	\$ 4,154.3	\$ 57,490.6
14															
15	<u>Transportation Related Costs</u>														
16	Enbridge (BC Pipeline) - Westcoast Energy		\$ 13,377.6	\$ 13,330.9	\$ 13,283.2	\$ 11,969.2	\$ 11,558.7	\$ 11,686.0	\$ 11,851.9	\$ 11,823.6	\$ 11,805.8	\$ 11,829.0	\$ 13,522.2	\$ 13,623.1	\$ 149,661.2
17	TransCanada (Foothills BC)		465.2	465.2	465.2	350.6	350.6	350.6	350.6	350.6	350.6	350.6	465.2	465.2	4,779.9
18	TransCanada (NOVA Alta)		1,009.8	1,009.8	1,009.8	1,009.8	1,009.8	1,009.8	1,009.8	1,009.8	1,009.8	1,009.8	1,009.8	1,009.8	12,118.1
19	Northwest Pipeline		786.5	749.4	779.7	380.7	390.3	403.5	407.1	402.1	377.8	375.5	743.8	779.9	6,576.1
20	FortisBC Huntingdon Inc.		10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	127.1
21	Southern Crossing Pipeline		1,057.1	1,057.1	1,057.1	1,054.2	1,054.2	1,054.2	1,054.2	1,054.2	1,054.2	1,054.2	1,054.2	1,054.2	12,658.7
22	Total Transportation Related Costs		\$ 16,706.8	\$ 16,623.0	\$ 16,605.5	\$ 14,775.0	\$ 14,374.2	\$ 14,514.7	\$ 14,684.1	\$ 14,651.0	\$ 14,608.7	\$ 14,629.7	\$ 16,805.8	\$ 16,942.8	\$ 185,921.2
23															
24	<u>Mitigation</u>														
25	Commodity Related Mitigation		\$ (8,883.9)	\$ (11,792.0)	\$ (15,351.3)	\$ (1,195.9)	\$ (1,218.8)	\$ (3,214.2)	\$ (4,925.1)	\$ (5,182.9)	\$ (4,034.9)	\$ (1,233.2)	\$ (10,969.1)	\$ (12,078.9)	\$ (80,080.1)
26	Storage Related Mitigation		-	-	-	-	-	-	-	-	-	-	-	-	-
27	Transportation Related Mitigation		(1,579.5)	(1,123.7)	(1,685.1)	(5,466.7)	(7,234.0)	(9,631.9)	(9,725.9)	(12,233.8)	(9,730.7)	(5,662.3)	(2,064.0)	(1,727.3)	(67,864.9)
28	Total Mitigation		\$ (10,463.4)	\$ (12,915.7)	\$ (17,036.4)	\$ (6,662.5)	\$ (8,452.8)	\$ (12,846.1)	\$ (14,651.0)	\$ (17,416.8)	\$ (13,765.6)	\$ (6,895.5)	\$ (13,033.1)	\$ (13,806.1)	\$ (147,945.0)
29															
30	<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
31															
32	<u>Core Market Administration Costs</u>		\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 3,719.1
33	TOTAL MCRA COSTS	(\$000)	\$ 37,393.3	\$ 32,612.9	\$ 26,502.8	\$ 14,076.2	\$ 5,110.1	\$ 230.7	\$ (2,668.4)	\$ (5,510.4)	\$ (546.6)	\$ 11,497.8	\$ 28,386.9	\$ 37,995.4	\$ 185,080.6

(Line 8, 13, 23, 22, 30 & 32)

- 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 2020 TO MAR 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

Tab 2
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Line No.	Particulars	Unit	Residential RS-1 (2)	Commercial RS-2 (3)	Commercial RS-3 (4)	General Firm Service RS-5 (5)	NGV RS-6 (6)	Subtotal (7)	Seasonal RS-4 (8)	General Interruptible RS-7 (9)	RS-1 to RS-7 Summary (10)	Total MCRA Gas Budget Costs (11)	LNG RS-46 (12)	Term & Spot Gas Sales RS-14A (13)	Off-System Interruptible Sales RS-30 (14)
1	MCRA Sales Quantity	TJ	79,385.7	30,592.7	26,791.9	7,308.9	15.0	144,094.3	163.0	6,191.7	150,449.0		5,161.7	1,300.0	26,342.8
2															
3	Load Factor Adjusted Quantity														
4	Load Factor ^(a)	%	31.0%	30.5%	36.6%	47.0%	100.0%								
5	Load Factor Adjusted Quantity	TJ	256,401.1	100,184.2	73,213.1	15,552.0	15.0	445,365.3							
6	Load Factor Adjusted Volumetric Allocation	%	57.6%	22.5%	16.4%	3.5%	0.0%	100.0%							
7															
8															
9	MCRA Cost of Gas - Load Factor Adjusted Allocation														
10	Midstream Commodity Related Costs (Net of Mitigation)	\$000	\$ (748.9)	\$ (292.6)	\$ (213.8)	\$ (45.4)	\$ (0.0)	\$ (1,300.8)			\$ (1,300.8)		\$ (2,771.4)	\$ (1,248.9)	\$ -
11	Midstream Commodity Related Costs		46,312.2	18,095.7	13,224.1	2,809.1	2.7	80,443.8					8,687.5	2,284.4	65,925.7
12	Midstream Commodity Related Mitigation		(47,061.1)	(18,388.3)	(13,437.9)	(2,854.5)	(2.8)	(81,744.6)					(11,458.9)	(3,533.3)	(65,925.7)
13	Storage Related Costs (Net of Mitigation)	\$000	33,050.5	12,913.9	9,437.3	2,004.7	1.9	57,408.3			57,408.3		-	-	-
14	Storage Related Costs		33,050.5	12,913.9	9,437.3	2,004.7	1.9	57,408.3					-	-	-
15	Storage Related Mitigation		-	-	-	-	-	-					-	-	-
16	Transportation Related Costs (Net of Mitigation)	\$000	63,659.3	24,873.7	18,177.4	3,861.2	3.7	110,575.3			110,575.3		3,925.4	989.8	-
17	Transportation Related Costs		102,729.7	40,139.8	29,333.6	6,231.1	6.0	178,440.3					3,925.4	989.8	-
18	Transportation Related Mitigation		(39,070.5)	(15,266.1)	(11,156.2)	(2,369.8)	(2.3)	(67,864.9)					-	-	-
19	GSMIP Incentive Sharing	\$000	575.7	224.9	164.4	34.9	0.0	1,000.0			1,000.0		-	-	-
20	Core Market Administration Costs - MCRA 70%	\$000	2,141.1	836.6	611.4	129.9	0.1	3,719.1			3,719.1		-	-	-
21	Total Midstream Cost of Gas Allocated by Rate Class	\$000	\$ 98,677.7	\$ 38,556.6	\$ 28,176.6	\$ 5,985.3	\$ 5.8	\$ 171,401.9			\$ 171,401.9	\$ 171,401.9	\$ 1,154.0	\$ (259.1)	\$ -
22	T-Service UAF to be recovered via delivery revenues ^(b)											1,064.4			
23	Total MCRA Gas Costs ^(c)											\$ 172,466.3			
24	1/2 of Pre-Tax Amort. MCRA Deficit/(Surplus) as of Apr 1, 2020	\$000	\$ (7,069.2)	\$ (2,762.2)	\$ (2,018.6)	\$ (428.8)	\$ (0.4)	\$ (12,279.1)			\$ (12,279.1)				
25															
26															
27	MCRA Cost of Gas Unitized											Average Costs			
28	Midstream Commodity Related Costs (Net of Mitigation)	\$/GJ	\$ (0.0094)	\$ (0.0096)	\$ (0.0080)	\$ (0.0062)	\$ (0.0029)				\$ (0.0086)				
29	Storage Related Costs (Net of Mitigation)	\$/GJ	0.4163	0.4221	0.3522	0.2743	0.1291				0.3816				
30	Transportation Related Costs (Net of Mitigation)	\$/GJ	0.8019	0.8131	0.6785	0.5283	0.2486				0.7350				
31	GSMIP Incentive Sharing	\$/GJ	0.0073	0.0074	0.0061	0.0048	0.0022				0.0066				
32	Core Market Administration Costs - MCRA 70%	\$/GJ	0.0270	0.0273	0.0228	0.0178	0.0084				0.0247				
33	MCRA Flow-Through Costs before MCRA deferral amortization	\$/GJ	\$ 1.2430	\$ 1.2603	\$ 1.0517	\$ 0.8189	\$ 0.3853				\$ 1.1393				
34	MCRA Deferral Amortization via Rate Rider 6	\$/GJ	\$ (0.0890)	\$ (0.0903)	\$ (0.0753)	\$ (0.0587)	\$ (0.0276)				\$ (0.0816)				

Notes:

(a) Based on the historical 3-year (2016, 2017, and 2018 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 2020 TO MAR 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 18, 19, 20, 21, AND 24, 2020

Tab 2
Page 7.1

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			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 Total
1	MCRA COSTS	(\$000)													
2	<u>Midstream Commodity Related Costs</u>														
3	Midstream Commodity Costs before Hedging ^(a)	\$	1,662.3	\$ 369.0	\$ 370.7	\$ 418.9	\$ 414.6	\$ 419.2	\$ 2,272.2	\$ 13,340.6	\$ 20,921.9	\$ 17,492.1	\$ 15,912.9	\$ 14,616.2	\$ 88,210.6
4	Mark to Market Hedges Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
5	Imbalance ^(b)		-	-	-	-	-	-	-	-	(1,813.2)	-	-	-	(1,813.2)
6	Company Use Gas Recovered from O&M		(428.5)	(240.3)	(212.6)	(161.2)	(107.3)	(149.9)	(225.3)	(481.4)	(782.1)	(910.7)	(717.7)	(612.0)	(5,029.0)
7	Storage Withdrawal / (Injection) Activity ^(c)		(773.0)	(6,730.0)	(7,223.0)	(8,659.2)	(8,396.8)	(7,931.0)	(4,773.3)	7,102.8	9,925.1	10,021.1	9,187.9	8,389.1	139.7
8	Total Midstream Commodity Related Costs	\$	460.8	\$ (6,601.4)	\$ (7,064.9)	\$ (8,401.4)	\$ (8,089.5)	\$ (7,661.6)	\$ (2,726.4)	\$ 19,961.9	\$ 28,251.8	\$ 26,602.5	\$ 24,383.1	\$ 22,393.3	\$ 81,508.2
9															
10	<u>Storage Related Costs</u>														
11	Storage Demand - Third Party Storage	\$	2,637.7	\$ 3,793.9	\$ 3,787.2	\$ 3,827.7	\$ 3,827.7	\$ 3,812.2	\$ 3,683.7	\$ 2,613.5	\$ 2,629.9	\$ 2,629.9	\$ 2,605.5	\$ 2,623.7	\$ 38,472.6
12	On-System Storage - Mt. Hayes (LNG)		1,519.4	1,711.4	1,717.6	1,519.5	1,519.4	1,519.4	1,722.3	1,611.2	1,524.1	1,524.3	1,523.8	1,523.4	18,935.7
13	Total Storage Related Costs	\$	4,157.1	\$ 5,505.3	\$ 5,504.8	\$ 5,347.2	\$ 5,347.0	\$ 5,331.6	\$ 5,406.0	\$ 4,224.6	\$ 4,154.0	\$ 4,154.2	\$ 4,129.3	\$ 4,147.1	\$ 57,408.3
14															
15	<u>Transportation Related Costs</u>														
16	Enbridge (BC Pipeline) - Westcoast Energy	\$	11,724.8	\$ 11,351.1	\$ 11,479.2	\$ 11,646.3	\$ 11,617.8	\$ 11,599.8	\$ 11,612.9	\$ 13,291.6	\$ 13,392.9	\$ 13,377.6	\$ 13,330.9	\$ 13,283.2	\$ 147,708.1
17	TransCanada (Foothills BC)		343.7	343.7	343.7	343.7	343.7	343.7	343.7	456.1	456.1	465.2	465.2	465.2	4,713.6
18	TransCanada (NOVA Alta)		990.0	990.0	990.0	990.0	990.0	990.0	990.0	990.0	990.0	1,009.8	1,009.8	1,009.8	11,939.9
19	Northwest Pipeline		384.6	384.2	400.3	404.0	398.0	377.7	378.5	743.6	779.7	786.5	749.4	779.7	6,566.3
20	FortisBC Huntingdon Inc.		10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	127.1
21	Southern Crossing Pipeline		300.0	300.0	300.0	300.0	300.0	300.0	300.0	1,057.1	1,057.1	1,057.1	1,057.1	1,057.1	7,385.3
22	Total Transportation Related Costs	\$	13,753.8	\$ 13,379.7	\$ 13,523.9	\$ 13,694.6	\$ 13,660.2	\$ 13,621.8	\$ 13,635.8	\$ 16,549.0	\$ 16,686.3	\$ 16,706.8	\$ 16,623.0	\$ 16,605.5	\$ 178,440.2
23															
24	<u>Mitigation</u>														
25	Commodity Related Mitigation	\$	(1,184.6)	\$ (1,286.9)	\$ (3,151.8)	\$ (4,875.0)	\$ (5,262.6)	\$ (3,903.6)	\$ (1,247.6)	\$ (12,231.3)	\$ (12,574.0)	\$ (8,883.9)	\$ (11,792.0)	\$ (15,351.3)	\$ (81,744.6)
26	Storage Related Mitigation		-	-	-	-	-	-	-	-	-	-	-	-	-
27	Transportation Related Mitigation		(5,466.7)	(7,234.0)	(9,631.9)	(9,725.9)	(12,233.8)	(9,730.7)	(5,662.3)	(2,064.0)	(1,727.3)	(1,579.5)	(1,123.7)	(1,685.1)	(67,864.9)
28	Total Mitigation	\$	(6,651.3)	\$ (8,520.9)	\$ (12,783.7)	\$ (14,600.9)	\$ (17,496.5)	\$ (13,634.3)	\$ (6,909.9)	\$ (14,295.3)	\$ (14,301.2)	\$ (10,463.4)	\$ (12,915.7)	\$ (17,036.4)	\$ (149,609.5)
29															
30	<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
31															
32	<u>Core Market Administration Costs</u>	\$	309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 309.9	\$ 3,719.1
33	TOTAL MCRA COSTS	(\$000)	\$ 12,113.7	\$ 4,155.9	\$ (426.5)	\$ (3,567.3)	\$ (6,185.5)	\$ (1,949.3)	\$ 9,798.7	\$ 26,833.5	\$ 35,184.1	\$ 37,393.3	\$ 32,612.9	\$ 26,502.8	\$ 172,466.3

(Line 8, 13, 22, 28, 30 & 32)

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.



March #, 2020

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
2020 First Quarter Gas Cost Report

On March 4, 2020, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC) its 2020 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, 2020.

Yours truly,

Patrick Wruck