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June 2, 2021

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

Attention: Mr. Patrick Wruck, Commission Secretary

Dear Mr. Wruck:

Re: FortisBC Energy Inc. – Fort Nelson Service Area (Fort Nelson)
Gas Cost Reconciliation Account (GCRA) and Commodity Cost Recovery Charge
2021 Second Quarter Gas Cost Report

The attached materials provide the FortisBC Energy Inc. (FEI or the Company) 2021 Second Quarter Gas Cost Report for Fort Nelson (the Second Quarter Report) as required under the British Columbia Utilities Commission (BCUC) guidelines.

The gas cost forecast used within the Second Quarter Report is based on the five-day average of the May 17, 18, 19, 20, and 21, 2021 forward prices (five-day average forward prices ending May 21, 2021).

GCRA and Commodity Cost Recovery Charge

Based on the five-day average forward prices ending May 21, 2021, the June 30, 2021 GCRA deferral balance is projected to be approximately \$33.3 thousand deficit after tax. At the existing commodity rate, the GCRA ratio is calculated to be 92.6 percent, which falls outside the 95 percent to 105 percent deadband range. The tested rate increase that would produce a 100 percent commodity recovery-to-cost ratio is calculated to be \$0.240/GJ, which falls within the \$0.50/GJ minimum rate change threshold. The results of the two-criterion rate adjustment mechanism indicate that a rate change is not required at this time.

Forward western Canadian natural gas prices have increased from the forward prices used in the FEI 2021 First Quarter Gas Cost Report for Fort Nelson. The forward prices increased due to stronger prices at Henry Hub, which is the pricing point for natural gas futures across North America. In addition, increased regional power requirements and higher demand for western Canadian natural gas exports to the US also contributed to the increase in prices.

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 21, 2021) monthly GCRA balances, including the commodity and midstream related costs and recoveries for 2021 to June 2023.

Provided in Tab 2 is the detail of the forecast cost of gas for Fort Nelson. The Company requests the information contained in Tab 2 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 favorable 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 for the Commodity Cost Recovery Charge applicable to all sales rate classes in the Fort Nelson service area to remain unchanged at July 1, 2021 from the current rate of \$2.999/GJ.

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 2021 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 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:

Diane Roy

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 2021 TO JUN 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

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 Jul 1, 2021	\$ 45.6				(Tab 1, Page 3, Col 14, Line 1)
4	Forecast Total Commodity Related Costs - Jul 2021 to Jun 2022	\$ 1,435.5				(Tab 1, Page 3, Col 14, Line 11)
5	Forecast Storage and Transport Related Activities Imbalance at 2021 Flow Through Rates - Jul 2021 to Dec 2021	\$ 2.6				(Tab 1, Page 3, Line 26 notes)
6	Forecast Recovery at Existing Commodity Cost Recovery Charge - Jul 2021 to Jun 2022	\$ 1,373.9				(Tab 1, Page 3, Col 14, Line 18)
7						
8						
9	Trigger = $\frac{\text{Forecast Recovery at Existing Cost of Gas Recovery Rate (Line 6)}}{\text{Projected GCRA Balance (Line 3) + Forecast Commodity Related Costs (Line 4) + Forecast Storage and Transport Related Activities Imbalance (Line 5)}}$	\$ 1,373.9				
10	Ratio = $\frac{\text{Forecast Recovery at Existing Cost of Gas Recovery Rate (Line 6)}}{\text{Projected GCRA Balance (Line 3) + Forecast Commodity Related Costs (Line 4) + Forecast Storage and Transport Related Activities Imbalance (Line 5)}}$	\$ 1,483.7				
11				92.6%		Outside 95% to 105% deadband
12						
13						
14	<u>Existing Commodity Cost Recovery Charge, effective January 1, 2021</u>				\$ 2.999	
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 2021 to Jun 2022		457.6			(Tab 1, Page 3, Col 14, Line 14)
22	(a)					
23	Projected Pre-Tax GCRA Balance at Jul 1, 2021	\$ 45.6			\$ 0.0996	(b)
24	Forecast 12-month GCRA Activities - Jul 2021 to Jun 2022	64.2			0.1403	(b)
25	(Over) / Under Recovery at Existing Commodity Cost Recovery Charge	\$ 109.8				(Line 3 + Line 4 + Line 5 - Line 6)
26						
27	Tested Commodity Cost Recovery Charge (Decrease) / Increase				\$ 0.240	(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 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 2021 AND FORECAST TO JUN 2021
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Tab 1
Page 2

Line No.	Particulars		Recorded Jan-21 (2)	Recorded Feb-21 (3)	Recorded Mar-21 (4)	Recorded Apr-21 (5)	Projected May-21 (6)	Projected Jun-21 (7)	(8)	(9)	(10)	(11)	(12)	(13)	Jan-21 to Jun-21 (14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$	\$ 107,024	\$ 61,049	\$ 67,492	\$ 90,205	\$ 38,717	\$ 44,635							\$ 107,024
2															
3	2021 GCRA Activities														
4	<u>Commodity Costs Incurred</u>														
5	Commodity Purchases ^(b)	GJ	82,200	90,600	71,700	40,000	17,461	9,450							311,411
6	Average Unit Cost of Gas Purchased	\$/GJ	\$ 2.479	\$ 3.283	\$ 2.573	\$ 2.506	\$ 2.602	\$ 2.893							\$ 2.759
7	(Line 8 / Line 5)														
8	Total Purchase Costs	\$	\$ 203,737	\$ 297,456	\$ 184,476	\$ 100,252	\$ 45,438	\$ 27,341							\$ 858,699
9	Imbalance Gas ^(c)		4,855	(6,048)	881	(1,481)	5,584	-							3,791
10	Company Use Gas Recovered from O&M		(886)	(588)	(832)	(231)	(507)	(159)							(3,203)
11	Commodity Related Costs Total (Lines 8, 9 & 10)	\$	\$ 207,707	\$ 290,819	\$ 184,525	\$ 98,539	\$ 50,514	\$ 27,182							\$ 859,287
12															
13	<u>Commodity Costs Recoveries</u>														
14	Sales Rate Classes Recovered	GJ	85,201	94,912	53,748	49,968	16,973	9,237							310,040
15	Adjust Sales Under / (Over) Accrual ^(d)	GJ	-	-	-	-	(1,730)	-							(1,730)
16	Recovery @ Approved Commodity Cost Recovery Rate	\$	\$ (252,087)	\$ (282,390)	\$ (161,455)	\$ (149,862)	\$ (45,715)	\$ (27,701)							\$ (919,210)
17	T-Service Balancing Gas		-	-	-	-	-	-							-
18	T-Service UAF Recovered ^(e)		-	-	-	-	(11)	(3)							(14)
19	Commodity Related Recovery Total (Lines 16, 17 & 18)	\$	\$ (252,087)	\$ (282,390)	\$ (161,455)	\$ (149,862)	\$ (45,726)	\$ (27,704)							\$ (919,223)
20	Total Commodity Related Activities (Lines 11 & 19)	\$	\$ (44,380)	\$ 8,429	\$ 23,071	\$ (51,322)	\$ 4,788	\$ (522)							\$ (59,937)
21															
22															
23	<u>Storage and Transport Costs and Recoveries</u>														
24	Transportation Costs Incurred	\$	\$ 1,946	\$ 1,960	\$ 1,938	\$ 1,872	\$ 1,842	\$ 1,842							\$ 11,401
25	Recovery @ Approved Storage & Transport Rates		(3,541)	(3,945)	(2,296)	(2,038)	(713)	(385)							(12,919)
26															
27	Total Storage and Transport Related Activities (Lines 24 & 25)	\$	\$ (1,595)	\$ (1,986)	\$ (358)	\$ (165)	\$ 1,129	\$ 1,457							\$ (1,518)
28															
29	GCRA Balance - Ending (Pre-tax) (Lines 1, 20 & 27)	\$	\$ 61,049	\$ 67,492	\$ 90,205	\$ 38,717	\$ 44,635	\$ 45,570							\$ 45,570
30															
31	Tax Rate		27.0%	27.0%	27.0%	27.0%	27.0%	27.0%							27.0%
32															
33															
34	GCRA Balance - Ending (After-tax)	\$	\$ 44,566	\$ 49,269	\$ 65,850	\$ 28,264	\$ 32,583	\$ 33,266							\$ 33,266

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 and Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Enbridge - 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 2021 TO JUN 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Tab 1
Page 3

Line No.	Particulars (1)	Forecast Jul-21 (2)	Forecast Aug-21 (3)	Forecast Sep-21 (4)	Forecast Oct-21 (5)	Forecast Nov-21 (6)	Forecast Dec-21 (7)	Forecast Jan-22 (8)	Forecast Feb-22 (9)	Forecast Mar-22 (10)	Forecast Apr-22 (11)	Forecast May-22 (12)	Forecast Jun-22 (13)	Jul-21 to Jun-22 (14)
1	GCRA Balance - Beginning (Pre-tax)^(a)	\$ 45,570	\$ 46,879	\$ 46,692	\$ 46,781	\$ 47,006	\$ 63,292	\$ 85,855	\$ 109,910	\$ 130,051	\$ 140,832	\$ 125,836	\$ 115,072	\$ 45,570
3	GCRA Activities													
4	<u>Commodity Costs Incurred</u>													
5	Commodity Purchases ^(b)	GJ 5,632	7,679	15,055	35,568	61,545	80,009	78,496	64,894	63,132	29,916	17,068	9,249	468,242
6	Average Unit Cost of Gas Purchased (Line 8 / Line 5)	\$/GJ 2.894	2.724	2.873	2.944	3.225	3.249	3.273	3.273	3.132	2.423	2.243	2.240	3.080
8	Total Purchase Costs	\$ 16,298	20,919	43,253	104,729	198,504	259,978	256,941	212,368	197,711	72,494	38,281	20,714	1,442,188
9	Imbalance Gas ^(c)	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M	(159)	(93)	(155)	(103)	(984)	(1,189)	(1,031)	(1,080)	(877)	(448)	(437)	(123)	(6,680)
11	Commodity Related Costs Total	\$ 16,138	20,826	43,097	104,626	197,520	258,788	255,910	211,288	196,834	72,046	37,843	20,591	1,435,508
13	<u>Commodity Costs Recoveries</u>													
14	Sales Rate Classes Recovered	GJ 5,483	7,516	14,747	34,926	60,121	78,181	76,733	63,370	61,716	29,205	16,586	9,039	457,622
15	Recovery @ Approved Commodity Cost Recovery Rate	\$ (16,444)	(22,539)	(44,228)	(104,742)	(180,302)	(234,465)	(230,122)	(190,047)	(185,085)	(87,584)	(49,743)	(27,107)	(1,372,409)
16	T-Service Balancing Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
17	T-Service UAF Recovered ^(d)	(1)	(3)	(7)	(31)	(231)	(316)	(341)	(278)	(208)	(71)	(11)	(3)	(1,500)
18	Commodity Related Recovery Total (Lines 15, 16 & 17)	\$ (16,445)	(22,542)	(44,235)	(104,774)	(180,534)	(234,781)	(230,463)	(190,325)	(185,293)	(87,655)	(49,753)	(27,110)	(1,373,909)
19	Total Commodity Related Activities (Lines 11 & 18)	\$ (307)	(1,716)	(1,137)	(148)	16,987	24,008	25,447	20,963	11,541	(15,610)	(11,910)	(6,520)	61,599
22	<u>Storage and Transport Costs and Recoveries</u>													
23	Transportation Costs Incurred	\$ 1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	22,109
24	Recovery @ Approved Storage & Transport Rates	(227)	(313)	(617)	(1,470)	(2,543)	(3,287)	(3,235)	(2,664)	(2,603)	(1,229)	(697)	(377)	(19,260)
25	(e)													
26	Total Storage and Transport Related Activities (Lines 23 & 24)	\$ 1,615	1,530	1,226	372	(700)	(1,444)	(1,392)	(822)	(760)	613	1,146	1,466	2,849
28	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 26)	\$ 46,879	46,692	46,781	47,006	63,292	85,855	109,910	130,051	140,832	125,836	115,072	110,018	110,018
30	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	GCRA Balance - Ending (After-tax)	\$ 34,221	34,085	34,150	34,314	46,203	62,675	80,234	94,937	102,808	91,860	84,002	80,313	80,313

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 and Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Enbridge - 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.
- (e) Total Storage and Transport Related Activities at Line 26 comprise \$2,599 deficit imbalance for the Jul to Dec 2021 forecast period, and \$250 deficit imbalance for the Jan to Jun 2022 forecast period. Forecast imbalances for the remainder of the current calendar year are related to the existing storage and transport rates, and will be captured in the GCRA and recovered via the Commodity Cost Recovery Charge flow through mechanism. Forecast storage and transport imbalances related to the future calendar year are, under normal circumstances, dealt with as part of the fourth quarter gas cost review when the storage and transport rates are reset using a January 1 effective date.

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 2022 TO JUN 2023
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Tab 1
Page 4

Line No.	Particulars	Forecast Jul-22	Forecast Aug-22	Forecast Sep-22	Forecast Oct-22	Forecast Nov-22	Forecast Dec-22	Forecast Jan-23	Forecast Feb-23	Forecast Mar-23	Forecast Apr-23	Forecast May-23	Forecast Jun-23	Jul-22 to Jun-23
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$ 110,018	\$ 107,754	\$ 104,066	\$ 95,306	\$ 73,653	\$ 53,933	\$ 32,089	\$ 16,926	\$ 4,175	\$ (14,961)	\$ (36,623)	\$ (50,806)	\$ 110,018
2														
3	GCRA Activities													
4	<u>Commodity Costs Incurred</u>													
5	Commodity Purchases ^(b)	GJ 5,520	7,519	14,731	34,764	60,111	78,201	76,639	63,386	61,630	29,221	16,681	9,050	457,453
6	Average Unit Cost of Gas Purchased	\$/GJ 2.238	2.251	2.267	2.313	2.629	2.685	2.766	2.757	2.647	2.179	2.016	2.052	2.573
7	(Line 8 / Line 5)													
8	Total Purchase Costs	\$ 12,354	16,925	33,402	80,426	158,025	209,958	211,974	174,757	163,128	63,667	33,624	18,567	1,176,807
9	Imbalance Gas ^(c)	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M	(123)	(77)	(122)	(81)	(802)	(983)	(871)	(910)	(741)	(403)	(393)	(113)	(5,619)
11	Commodity Related Costs Total	\$ 12,230	16,848	33,280	80,345	157,223	208,975	211,103	173,847	162,387	63,264	33,231	18,455	1,171,188
12														
13	<u>Commodity Costs Recoveries</u>													
14	Sales Rate Classes Recovered	GJ 5,373	7,359	14,429	34,135	58,711	76,404	74,907	61,887	60,238	28,521	16,206	8,844	447,014
15	Recovery @ Approved Commodity Cost Recovery Rate	\$ (16,113)	(22,070)	(43,272)	(102,372)	(176,073)	(229,135)	(224,647)	(185,599)	(180,655)	(85,535)	(48,602)	(26,523)	(1,340,596)
16	T-Service Balancing Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
17	T-Service UAF Recovered ^(d)	(1)	(3)	(7)	(31)	(231)	(316)	(341)	(278)	(208)	(71)	(11)	(3)	(1,500)
18	Commodity Related Recovery Total (Lines 15, 16 & 17)	\$ (16,114)	(22,073)	(43,279)	(102,404)	(176,304)	(229,451)	(224,988)	(185,877)	(180,863)	(85,606)	(48,613)	(26,526)	(1,342,096)
19	Total Commodity Related Activities (Lines 11 & 18)	\$ (3,883)	(5,225)	(9,999)	(22,059)	(19,081)	(20,476)	(13,885)	(12,030)	(18,476)	(22,341)	(15,382)	(8,071)	(170,908)
20														
21														
22	<u>Storage and Transport Costs and Recoveries</u>													
23	Transportation Costs Incurred	\$ 1,842	1,842	1,842	1,842	1,842	1,842	1,879	1,879	1,879	1,879	1,879	1,879	22,330
24														
25	Recovery @ Approved Storage & Transport Rates	(222)	(306)	(603)	(1,436)	(2,482)	(3,211)	(3,157)	(2,601)	(2,539)	(1,200)	(680)	(369)	(18,806)
26	Total Storage and Transport Related Activities (Lines 23 & 24)	\$ 1,620	1,536	1,239	406	(640)	(1,368)	(1,277)	(721)	(660)	679	1,199	1,511	3,525
27														
28	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 26)	\$ 107,754	104,066	95,306	73,653	53,933	32,089	16,926	4,175	(14,961)	(36,623)	(50,806)	(57,366)	(57,366)
29														
30	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%
31														
32														
33	GCRA Balance - Ending (After-tax)	\$ 78,661	75,968	69,573	53,767	39,371	23,425	12,356	3,048	(10,921)	(26,735)	(37,088)	(41,877)	(41,877)

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 and Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Enbridge - Westcoast Energy and T-Service imbalances. 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.
- (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 2023

Tab 1
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Line No	Particulars		Five-day Average Forward Prices - May 17, 18, 19, 20, and 21, 2021		Five-day Average Forward Prices - Feb 16, 17, 18, 19, and 22, 2021		Change in Forward Price	
			2021 Q2 Gas Cost Report		2021 Q1 Gas Cost Report		Price	
		(1)		(2)		(3)		(4) = (2) - (3)
1	Station 2 Index Prices - \$CDN/GJ ^(a)							
2								
3	2021	January		\$ 2.54		\$ 2.54	\$ -	
4		February		\$ 3.69	Recorded	\$ 3.69	\$ -	
5		March		\$ 2.64	Forecast	\$ 3.05	\$ (0.41)	
6		April	Recorded	\$ 2.51		\$ 2.89	\$ (0.39)	
7		May	Forecast	\$ 2.60		\$ 2.68	\$ (0.08)	
8		June		\$ 2.89		\$ 2.67	\$ 0.22	
9		July		\$ 2.89		\$ 2.65	\$ 0.25	
10		August		\$ 2.72		\$ 2.62	\$ 0.11	
11		September		\$ 2.87		\$ 2.73	\$ 0.15	
12		October		\$ 2.94		\$ 2.89	\$ 0.05	
13		November		\$ 3.11		\$ 3.08	\$ 0.04	
14		December		\$ 3.15		\$ 3.21	\$ (0.07)	
15	2022	January		\$ 3.18		\$ 3.28	\$ (0.09)	
16		February		\$ 3.18		\$ 3.25	\$ (0.06)	
17		March		\$ 2.97		\$ 2.97	\$ (0.00)	
18		April		\$ 2.42		\$ 2.31	\$ 0.11	
19		May		\$ 2.24		\$ 2.16	\$ 0.08	
20		June		\$ 2.24		\$ 2.12	\$ 0.12	
21		July		\$ 2.24		\$ 2.19	\$ 0.04	
22		August		\$ 2.25		\$ 2.20	\$ 0.05	
23		September		\$ 2.27		\$ 2.22	\$ 0.05	
24		October		\$ 2.31		\$ 2.26	\$ 0.06	
25		November		\$ 2.43		\$ 2.29	\$ 0.13	
26		December		\$ 2.51		\$ 2.39	\$ 0.12	
27	2023	January		\$ 2.63		\$ 2.47	\$ 0.16	
28		February		\$ 2.62		\$ 2.47	\$ 0.15	
29		March		\$ 2.45		\$ 2.35	\$ 0.10	
30		April		\$ 2.18				
31		May		\$ 2.02				
32		June		\$ 2.05				
33								
34	Simple Average (Jul 2021 - Jun 2022)			\$ 2.83		\$ 2.77	2.0%	\$ 0.06
35	Simple Average (Oct 2021 - Sep 2022)			\$ 2.68		\$ 2.66	1.0%	\$ 0.03
36	Simple Average (Jan 2022 - Dec 2022)			\$ 2.52		\$ 2.47	2.1%	\$ 0.05
37	Simple Average (Apr 2022 - Mar 2023)			\$ 2.38		\$ 2.29	4.3%	\$ 0.10
38	Simple Average (Jul 2022 - Jun 2023)			\$ 2.33				

Notes:

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

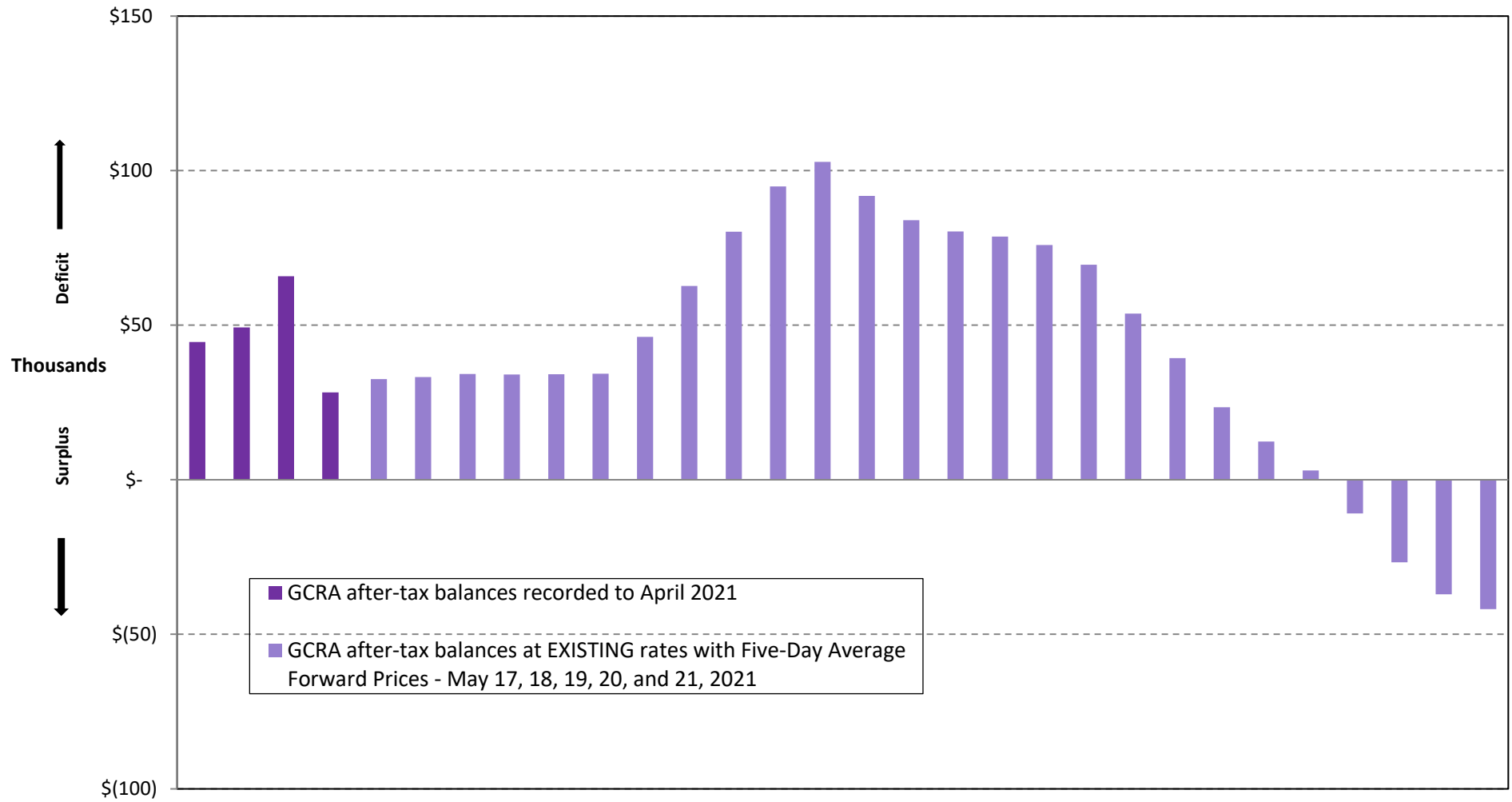
FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA AFTER-TAX BALANCES AT EXISTING RECOVERY RATES
FOR FORECAST PERIOD ENDING JUN 2023
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021
(\$000)

Tab 1
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Line No	Particulars		Five-day Average Forward Prices - May 17, 18, 19, 20, and 21, 2021		Five-day Average Forward Prices - Feb 16, 17, 18, 19, and 22, 2021	
			2021 Q2 Gas Cost Report		2021 Q1 Gas Cost Report	
		(1)		(2)		(3)
1	2021	January		\$ 44.6	Recorded	\$ 44.6
2		February		\$ 49.3	Forecast	\$ 39.1
3		March		\$ 65.8		\$ 44.2
4		April	Recorded	\$ 28.3		\$ 42.4
5		May	Forecast	\$ 32.6		\$ 39.3
6		June		\$ 33.3		\$ 38.2
7		July		\$ 34.2		\$ 38.0
8		August		\$ 34.1		\$ 37.1
9		September		\$ 34.2		\$ 35.1
10		October		\$ 34.3		\$ 32.7
11		November		\$ 46.2		\$ 40.8
12		December		\$ 62.7		\$ 56.2
13	2022	January		\$ 80.2		\$ 73.9
14		February		\$ 94.9		\$ 87.6
15		March		\$ 102.8		\$ 92.9
16		April		\$ 91.9		\$ 78.7
17		May		\$ 84.0		\$ 69.4
18		June		\$ 80.3		\$ 64.7
19		July		\$ 78.7		\$ 62.8
20		August		\$ 76.0		\$ 59.6
21		September		\$ 69.6		\$ 52.4
22		October		\$ 53.8		\$ 34.2
23		November		\$ 39.4		\$ 13.5
24		December		\$ 23.4		\$ (10.3)
25	2023	January		\$ 12.4		\$ (30.4)
26		February		\$ 3.0		\$ (46.9)
27		March		\$ (10.9)		\$ (66.4)
28		April		\$ (26.7)		
29		May		\$ (37.1)		
30		June		\$ (41.9)		

FortisBC Energy Inc. - Fort Nelson Service Area
 GCRA After-Tax Monthly Balances
 Recorded to April 2021 and Forecast to June 2023

Tab 1
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bcuc
British Columbia
Utilities Commission

Patrick Wruck
Commission Secretary

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DATE

Sent via email

Letter L-xx-xx

Ms. Diane Roy
Vice President, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8
gas.regulatory.affairs@fortisbc.com

Re: FortisBC Energy Inc. – Fort Nelson Service Area - 2021 Second Quarter Gas Cost Report

Dear Ms. Roy:

On June 2, 2021, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC) its 2021 Second Quarter Gas Cost Report for the Fort Nelson service area (Report), which includes details regarding the Gas Cost Reconciliation Account (GCRA) and Commodity Cost Recovery Charge.

The BCUC notes that the Commodity Cost Recovery Charge for the Fort Nelson service area was last changed by Order G-312-20, effective January 1, 2021, when it increased by \$0.592 per gigajoule from \$2.407 per gigajoule to \$2.999 per gigajoule.

The BCUC has reviewed the Report within the context of the quarterly gas costs review and rate setting mechanism guidelines pursuant to Letters L-5-01 and L-40-11. The BCUC acknowledges receipt of the Report and accepts FEI's recommendation that the Commodity Cost Recovery Charge for the Fort Nelson service area remain unchanged at \$2.999 per gigajoule, effective July 1, 2021.

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

Sincerely,

Patrick Wruck
Commission Secretary

AUTHOR INITIALS/typist initials

Enclosure

cc: xxxx@xxxx.com