Diane Roy
Vice President, 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) 576-7349
Cell: (778) 908-2790
Fax: (604) 576-7074
www.fortisbc.com

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. – Mainland and Vancouver Island Service Area

Commodity Cost Reconciliation Account (CCRA) and Midstream Cost Reconciliation Account (MCRA) Quarterly Gas Costs

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 the Mainland and Vancouver Island Service Area (the Second Quarter Report) 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 May 17, 18, 19, 20, and 21, 2021 forward prices (five-day average forward prices ending May 21, 2021).

CCRA Deferral Account

Based on the five-day average forward prices ending May 21, 2021, the June 30, 2021 CCRA balance is projected to be approximately $10 million deficit after tax. At the existing commodity rate, the CCRA trigger ratio is calculated to be 93.2 percent, 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 $0.207/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 the Mainland and Vancouver Island Service Area. 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 2, Pages 1 and 2, provide details of the recorded and forecast, based on the five-day average forward prices ending May 21, 2021, 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 July 1, 2021 to June 30, 2022 prospective period.

MCRA Deferral Account

Based on the five-day average forward prices ending May 21, 2021 and existing rates, the MCRA balances after tax at December 31, 2021 and December 31, 2022 are projected to be approximately $4 million surplus and $4 million deficit, respectively. The monthly MCRA deferral account balances are shown on the schedule provided at Tab 1, Page 3.

The schedules at Tab 2, Pages 4 and 5, provide details of MCRA gas supply costs for calendar 2021 and 2022 based on the five-day average forward prices ending May 21, 2021.

The schedules at Tab 3, Pages 1 to 4 provide details of the forecast costs for Revelstoke propane supply. FEI requests the information contained within Tab 3 be treated as CONFIDENTIAL.

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.

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 to remain unchanged at July 1, 2021 from the current rate of $2.844/GJ.

FEI will continue to monitor the forward prices, and will report CCRA and MCRA balances in its 2021 Third 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:

Diane Roy

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 JUL 2021 TO JUN 2023
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021
$(Millions)

Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1		Recorded	Recorded	Recorded	Recorded	Projected	Projected							**Jan-21 to**
2		Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21							**Jun-21**
3	CCRA Balance - Beginning (Pre-tax) [(a)]	$ 10	$ 8	$ 13	$ 15	$ 14	$ 13							**$ 10**
4	Gas Costs Incurred	33	37	37	32	34	36							209
5	Revenue from **APPROVED** Recovery Rate	(35)	(32)	(35)	(33)	(35)	(34)							(204)
6	**CCRA Balance - Ending (Pre-tax)** [(b)]	$ 8	$ 13	$ 15	$ 14	$ 13	$ 14							**$ 14**
7														
8	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%							27.0%
9														
10	**CCRA Balance - Ending (After-tax)** [(c)]	$ 6	$ 10	$ 11	$ 10	$ 9	$ 10							**$ 10**
11														
12														**Jul-21**
13		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**to**
14		Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	**Jun-22**
15	CCRA Balance - Beginning (Pre-tax) [(a)]	$ 14	$ 16	$ 17	$ 19	$ 23	$ 28	$ 34	$ 40	$ 45	$ 48	$ 43	$ 36	**$ 14**
16	Gas Costs Incurred	38	36	36	38	39	41	41	37	37	29	28	28	429
17	Revenue from **EXISTING** Recovery Rates	(35)	(35)	(34)	(35)	(34)	(35)	(35)	(32)	(35)	(34)	(35)	(34)	(413)
18	**CCRA Balance - Ending (Pre-tax)** [(b)]	$ 16	$ 17	$ 19	$ 23	$ 28	$ 34	$ 40	$ 45	$ 48	$ 43	$ 36	$ 30	**$ 30**
19														
20	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%
21														
22	**CCRA Balance - Ending (After-tax)** [(c)]	$ 12	$ 12	$ 14	$ 17	$ 21	$ 25	$ 29	$ 33	$ 35	$ 32	$ 27	$ 22	**$ 22**
23														
24														
25														**Jul-22**
26		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**to**
27		Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	**Jun-23**
28	CCRA Balance - Beginning (Pre-tax) [(a)]	$ 30	$ 24	$ 17	$ 12	$ 7	$ 4	$ 2	$ 1	$ (1)	$ (5)	$ (12)	$ (22)	**$ 30**
29	Gas Costs Incurred	29	29	29	31	32	34	35	31	32	27	26	26	358
30	Revenue from **EXISTING** Recovery Rates	(36)	(36)	(34)	(36)	(34)	(36)	(36)	(32)	(36)	(34)	(36)	(34)	(419)
31	**CCRA Balance - Ending (Pre-tax)** [(b)]	$ 24	$ 17	$ 12	$ 7	$ 4	$ 2	$ 1	$ (1)	$ (5)	$ (12)	$ (22)	$ (31)	**$ (31)**
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)]	$ 17	$ 13	$ 8	$ 5	$ 3	$ 1	$ 1	$ (0)	$ (3)	$ (9)	$ (16)	$ (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 CCRA pre-tax balances include grossed-up projected deferred interest of approximately $0.6 million credit as at June 30, 2021.
(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 JUL 2021 TO JUN 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Line	Particulars	Pre-Tax ($Millions)	Forecast Energy (TJ)	Percentage	Unit Cost ($/GJ)	Reference / Comment
	(1)	(2)	(3)	(4)	(5)	(6)
1	**CCRA RATE CHANGE TRIGGER RATIO**					
2						
3	Projected Deferral Balance at Jul 1, 2021 [a]	$ 14.0				(Tab 1, Page 1, Col.14, Line 15)
4	Forecast Incurred Gas Costs - Jul 2021 to Jun 2022	$ 429.5				(Tab 1, Page 1, Col.14, Line 16)
5	Forecast Recovery Gas Costs at Existing Recovery Rate - Jul 2021 to Jun 2022	$ 413.4				(Tab 1, Page 1, Col.14, Line 17)
6						
7	**CCRA** = Forecast Recovered Gas Costs (Line 5)	= $ 413.4		= **93.2%**		
8	**Ratio** Forecast Incurred Gas Costs (Line 4) + Projected CCRA Balance (Line 3)	$ 443.5				**Outside 95% to 105% deadband**
9						
10						
11						
12						
13	**Existing Cost of Gas (Commodity Cost Recovery Rate), effective October 1, 2020**				**$ 2.844**	
14						
15						
16						
17						
18	**CCRA RATE CHANGE THRESHOLD (+/- $0.50/GJ)**					
19						
20	Forecast 12-month CCRA Baseload - Jul 2021 to Jun 2022		145,368			(Tab1, Page 7, Col.5, Line 11)
21						
22	Projected Deferral Balance at Jul 1, 2021 [a]	$ 14.0			$ 0.0964 [b]	
23	Forecast 12-month CCRA Activities - Jul 2021 to Jun 2022	$ 16.1			$ 0.1106 [b]	
24	(Over) / Under Recovery at Existing Rate	$ 30.1				(Line 3 + Line 4 - Line 5)
25						
26	**Tested Rate (Decrease) / Increase**				**$ 0.207** [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 JUL 2021 TO DEC 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021
$(Millions)

Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1														
2		Recorded	Recorded	Recorded	Recorded	Projected	Projected	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
3		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**
4	MCRA Balance - Beginning (Pre-tax) [(a)]	$ 20	$ 5	$ (10)	$ (18)	$ (22)	$ (16)	$ (13)	$ (6)	$ 1	$ 7	$ 8	$ 5	**$ 20**
5	**2021 MCRA Activities**													
6	Rate Rider 6													
7	*Approved Amount to be amortized in 2021* **$ 7**													
8	*Rider 6 Amortization at APPROVED 2021 Rates*	$ (1)	$ (1)	$ (1)	$ (1)	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)	$ (1)	$ (1)	**$ (8)**
9	Midstream Base Rates													
10	*Gas Costs Incurred*	$ 36	$ 44	$ 29	$ 11	$ 2	$ (5)	$ (10)	$ (10)	$ (5)	$ 10	$ 32	$ 52	$ 186
11	*Revenue from* ***APPROVED*** *Recovery Rates*	(50)	(57)	(37)	(14)	5	12	17	18	11	(8)	(34)	(62)	(199)
12	Total Midstream Base Rates (Pre-tax)	$ (14)	$ (13)	$ (8)	$ (3)	$ 6	$ 8	$ 7	$ 7	$ 6	$ 1	$ (2)	$ (9)	**$ (13)**
13														
14	**MCRA Cumulative Balance - Ending (Pre-tax)** [(b)]	$ 5	$ (10)	$ (18)	$ (22)	$ (16)	$ (13)	$ (6)	$ 1	$ 7	$ 8	$ 5	$ (5)	**$ (5)**
15	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%
16														
17	**MCRA Cumulative Balance - Ending (After-tax)** [(c)]	$ 4	$ (7)	$ (13)	$ (16)	$ (12)	$ (9)	$ (4)	$ 1	$ 5	$ 6	$ 4	$ (4)	**$ (4)**
18														
19														
20		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
21		Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	**2022**
22	MCRA Balance - Beginning (Pre-tax) [(a)]	$ (5)	$ (15)	$ (20)	$ (23)	$ (24)	$ (16)	$ (5)	$ 7	$ 17	$ 27	$ 28	$ 23	**$ (5)**
23	**2022 MCRA Activities**													
24	Rate Rider 6													
25														
26	*Rider 6 Amortization at APPROVED 2021 Rates*	$ (1)	$ (1)	$ (1)	$ (1)	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)	$ (1)	$ (1)	**$ (7)**
27	Midstream Base Rates													
28	*Gas Costs Incurred*	$ 50	$ 40	$ 31	$ 16	$ 4	$ (1)	$ (5)	$ (7)	$ (2)	$ 10	$ 29	$ 46	$ 210
29	*Revenue from* ***EXISTING*** *Recovery Rates*	(59)	(44)	(34)	(16)	5	12	17	18	12	(8)	(34)	(62)	(193)
30	Total Midstream Base Rates (Pre-tax)	$ (9)	$ (4)	$ (2)	$ (0)	$ 8	$ 11	$ 12	$ 11	$ 10	$ 2	$ (5)	$ (16)	**$ 18**
31														
32	**MCRA Cumulative Balance - Ending (Pre-tax)** [(b)]	$ (15)	$ (20)	$ (23)	$ (24)	$ (16)	$ (5)	$ 7	$ 17	$ 27	$ 28	$ 23	$ 6	**$ 6**
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	**MCRA Cumulative Balance - Ending (After-tax)** [(c)]	$ (11)	$ (15)	$ (17)	$ (18)	$ (12)	$ (4)	$ 5	$ 13	$ 19	$ 21	$ 17	$ 4	**$ 4**

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 $4.1 million credit as at June 30, 2021.
(c) For rate setting purposes MCRA 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
SUMAS INDEX FORECAST FOR THE PERIOD ENDING JUN 2023
AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

Line No	Particulars			Five-day Average Forward Prices - May 17, 18, 19, 20, and 21, 2021 2021 Q2 Gas Cost Report			Five-day Average Forward Prices - Feb 16, 17, 18, 19, and 22, 2021 2021 Q1 Gas Cost Report		Change in Forward Price		
	(1)				(2)			(3)	(4) = (2) - (3)		
1	**SUMAS Index Prices - presented in $US/MMBtu**										
2											
3		**2021**	January		$	3.38		$	3.38		$ -
4			February		$	2.76	**Settled**	$	2.76		$ -
5			March		$	2.93	**Forecast**	$	3.43		$ (0.50)
6			April	**Settled**	$	2.50		$	2.98		$ (0.48)
7			May	**Forecast**	$	2.79		$	2.48		$ 0.30
8			June		$	2.93		$	2.51		$ 0.42
9			July		$	3.43		$	2.93		$ 0.51
10			August		$	3.69		$	3.07		$ 0.62
11			September		$	3.61		$	2.99		$ 0.62
12			October		$	3.66		$	3.15		$ 0.50
13			November		$	4.61		$	3.55		$ 1.06
14			December		$	4.49		$	4.26		$ 0.23
15		**2022**	January		$	4.46		$	4.11		$ 0.35
16			February		$	3.53		$	3.94		$ (0.40)
17			March		$	2.74		$	2.87		$ (0.13)
18			April		$	1.93		$	2.15		$ (0.23)
19			May		$	1.92		$	1.84		$ 0.08
20			June		$	2.40		$	1.86		$ 0.54
21			July		$	2.58		$	2.27		$ 0.31
22			August		$	2.51		$	2.40		$ 0.11
23			September		$	2.68		$	2.33		$ 0.35
24			October		$	3.25		$	2.49		$ 0.75
25			November		$	3.92		$	2.97		$ 0.94
26			December		$	3.82		$	3.72		$ 0.10
27		**2023**	January		$	3.82		$	3.60		$ 0.22
28			February		$	2.91		$	3.44		$ (0.53)
29			March		$	2.44		$	2.44		$ (0.01)
30			April		$	1.72					
31			May		$	1.73					
32			June		$	2.22					
33											
34	*Simple Average (Jul 2021 - Jun 2022)*				*$*	*3.37*		*$*	*3.06*	*10.2%*	*$ 0.31*
35	*Simple Average (Oct 2021 - Sep 2022)*				*$*	*3.12*		*$*	*2.89*	*8.0%*	*$ 0.23*
36	*Simple Average (Jan 2022 - Dec 2022)*				*$*	*2.98*		*$*	*2.75*	*8.4%*	*$ 0.23*
37	*Simple Average (Apr 2022 - Mar 2023)*				*$*	*2.85*		*$*	*2.63*	*8.4%*	*$ 0.22*
38	*Simple Average (Jul 2022 - Jun 2023)*				*$*	*2.80*					

Conversation Factors
1 MMBtu = 1.055056 GJ

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

	Forecast Jul 2021 - Jun 2022	Forecast Apr 2021 - Mar 2022		
	$ 1.2079	$ 1.2659	*-4.6%*	*$ (0.0580)*

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
SUMAS INDEX FORECAST FOR THE PERIOD ENDING JUN 2023

Line No	Particulars			Five-day Average Forward Prices - May 17, 18, 19, 20, and 21, 2021 2021 Q2 Gas Cost Report		Five-day Average Forward Prices - Feb 16, 17, 18, 19, and 22, 2021 2021 Q1 Gas Cost Report		Change in Forward Price
	(1)			(2)		(3)		(4) = (2) - (3)
1	**SUMAS Index Prices - presented in $CDN/GJ**							
2								
3	**2021**	January		$ 4.08		$ 4.08		$ -
4		February		$ 3.34	**Settled**	$ 3.34		$ -
5		March		$ 3.52	**Forecast**	$ 4.12		$ (0.60)
6		April	**Settled**	$ 2.98		$ 3.58		$ (0.60)
7		May	**Forecast**	$ 3.24		$ 2.98		$ 0.27
8		June		$ 3.35		$ 3.01		$ 0.34
9		July		$ 3.93		$ 3.51		$ 0.42
10		August		$ 4.22		$ 3.68		$ 0.54
11		September		$ 4.13		$ 3.59		$ 0.54
12		October		$ 4.19		$ 3.78		$ 0.40
13		November		$ 5.27		$ 4.25		$ 1.02
14		December		$ 5.14		$ 5.12		$ 0.02
15	**2022**	January		$ 5.10		$ 4.94		$ 0.17
16		February		$ 4.04		$ 4.73		$ (0.69)
17		March		$ 3.14		$ 3.45		$ (0.31)
18		April		$ 2.20		$ 2.58		$ (0.38)
19		May		$ 2.20		$ 2.20		$ (0.00)
20		June		$ 2.75		$ 2.23		$ 0.52
21		July		$ 2.95		$ 2.72		$ 0.22
22		August		$ 2.88		$ 2.88		$ (0.01)
23		September		$ 3.06		$ 2.79		$ 0.27
24		October		$ 3.72		$ 2.99		$ 0.72
25		November		$ 4.48		$ 3.57		$ 0.92
26		December		$ 4.37		$ 4.47		$ (0.09)
27	**2023**	January		$ 4.37		$ 4.31		$ 0.06
28		February		$ 3.33		$ 4.13		$ (0.80)
29		March		$ 2.79		$ 2.93		$ (0.14)
30		April		$ 1.96				
31		May		$ 1.98				
32		June		$ 2.55				
33								
34	*Simple Average (Jul 2021 - Jun 2022)*			*$ 3.86*		*$ 3.67*	*5.1%*	*$ 0.19*
35	*Simple Average (Oct 2021 - Sep 2022)*			*$ 3.58*		*$ 3.47*	*3.0%*	*$ 0.10*
36	*Simple Average (Jan 2022 - Dec 2022)*			*$ 3.41*		*$ 3.30*	*3.4%*	*$ 0.11*
37	*Simple Average (Apr 2022 - Mar 2023)*			*$ 3.26*		*$ 3.15*	*3.4%*	*$ 0.11*
38	*Simple Average (Jul 2022 - Jun 2023)*			*$ 3.20*				

Conversation Factors
1 MMBtu = 1.055056 GJ

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

Forecast Jul 2021 - Jun 2022	Forecast Apr 2021 - Mar 2022		
$ 1.2079	$ 1.2659	-4.6%	$ (0.0580)

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
AECO INDEX FORECAST FOR THE PERIOD ENDING JUN 2023

Line No	Particulars			Five-day Average Forward Prices - May 17, 18, 19, 20, and 21, 2021 2021 Q2 Gas Cost Report			Five-day Average Forward Prices - Feb 16, 17, 18, 19, and 22, 2021 2021 Q1 Gas Cost Report		Change in Forward Price	
	(1)				(2)			(3)		(4) = (2) - (3)
1	**AECO Index Prices - $CDN/GJ**									
2										
3	**2021**	January		$	2.50		$	2.50	$	-
4		February		$	2.77	**Settled**	$	2.77	$	-
5		March		$	3.05	**Forecast**	$	3.09	$	(0.04)
6		April	**Settled**	$	2.54		$	2.93	$	(0.39)
7		May	**Forecast**	$	2.72		$	2.72	$	0.00
8		June		$	2.87		$	2.71	$	0.17
9		July		$	2.91		$	2.68	$	0.22
10		August		$	2.74		$	2.65	$	0.08
11		September		$	2.89		$	2.76	$	0.13
12		October		$	2.96		$	2.93	$	0.04
13		November		$	3.06		$	3.04	$	0.02
14		December		$	3.10		$	3.18	$	(0.08)
15	**2022**	January		$	3.13		$	3.24	$	(0.11)
16		February		$	3.13		$	3.21	$	(0.08)
17		March		$	2.92		$	2.94	$	(0.02)
18		April		$	2.42		$	2.29	$	0.13
19		May		$	2.24		$	2.15	$	0.09
20		June		$	2.24		$	2.10	$	0.14
21		July		$	2.24		$	2.18	$	0.06
22		August		$	2.25		$	2.19	$	0.06
23		September		$	2.27		$	2.20	$	0.06
24		October		$	2.31		$	2.24	$	0.07
25		November		$	2.42		$	2.33	$	0.09
26		December		$	2.51		$	2.43	$	0.08
27	**2023**	January		$	2.63		$	2.51	$	0.12
28		February		$	2.62		$	2.51	$	0.11
29		March		$	2.45		$	2.39	$	0.06
30		April		$	2.15					
31		May		$	1.99					
32		June		$	2.03					
33										
34	*Simple Average (Jul 2021 - Jun 2022)*			*$*	*2.81*		*$*	*2.77*	*1.7% $*	*0.05*
35	*Simple Average (Oct 2021 - Sep 2022)*			*$*	*2.66*		*$*	*2.64*	*1.0% $*	*0.03*
36	*Simple Average (Jan 2022 - Dec 2022)*			*$*	*2.51*		*$*	*2.46*	*1.9% $*	*0.05*
37	*Simple Average (Apr 2022 - Mar 2023)*			*$*	*2.38*		*$*	*2.29*	*3.9% $*	*0.09*
38	*Simple Average (Jul 2022 - Jun 2023)*			*$*	*2.32*					

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
STATION 2 INDEX FORECAST FOR THE PERIOD ENDING JUN 2023

Line No	Particulars			Five-day Average Forward Prices - May 17, 18, 19, 20, and 21, 2021 2021 Q2 Gas Cost Report			Five-day Average Forward Prices - Feb 16, 17, 18, 19, and 22, 2021 2021 Q1 Gas Cost Report		Change in Forward Price	
	(1)				(2)			(3)		(4) = (2) - (3)
1	**Station 2 Index Prices - $CDN/GJ**									
2										
3	**2021**	January		$	2.39		$	2.39		$ -
4		February		$	2.76	**Settled**	$	2.76		$ -
5		March		$	2.94	**Forecast**	$	3.05		$ (0.11)
6		April	**Settled**	$	2.43		$	2.89		$ (0.46)
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*					

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
GAS BUDGET COST SUMMARY FOR THE FORECAST PERIOD JUL 2021 TO JUN 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Line	Particulars	Costs ($000)		Quantities (TJ)			Unit Cost ($/GJ)	Reference / Comments
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	**CCRA**							
2	Commodity							
3	STN 2		$ 324,277		114,260		$ 2.838	
4	AECO		103,564		36,815		$ 2.813	
5	Commodity Costs before Hedging		$ 427,841		151,074		$ 2.832	Incl. Receipt Point Fuel 2020/21 Percentage.
6	Hedging Cost / (Gain)		-		-			
7	Subtotal Commodity Purchased		$ 427,841		151,074		$ 2.832	
8	Core Market Administration Costs		1,657		-			
9	Fuel Gas Provided to Midstream				(5,706)			
10	**Total CCRA Baseload**				**145,368**			
11	**Total CCRA Costs**		**$ 429,498**				**$ 2.955**	Commodity available for sale average unit cost
12	**MCRA**							
13	Midstream Commodity Related Costs							
14	Total Cost of Propane	$ 3,242				281		
15	Propane Costs Recovered based on Commodity Rates	(770)				(271)		
16	Propane Costs to be Recovered via Midstream Rates		$ 2,472					
17	Midstream Natural Gas Costs before Hedging		91,652		29,686			
18	Hedging Cost / (Gain)		-		-			
19	Imbalance		(1,064)		(401)			
20	Company Use Gas Recovered from O&M		(5,167)		(701)			
21	Injections into Storage	$ (77,789)		(28,686)				
22	Withdrawals from Storage	87,501		30,910				
23	Storage Withdrawal / (Injection) Activity		9,712		2,224			
24	Total Midstream Commodity Related Costs		$ 97,605		30,808			
25								
26	Storage Related Costs							
27	Storage Demand - Third Party Storage	$ 37,966						
28	On-System Storage - Mt. Hayes (LNG)	18,928						
29	Total Storage Related Costs		56,894					
30								
31	Transport Related Costs		181,067					
32								
33	Mitigation							
34	Commodity Mitigation	$ (88,457)			(29,841)			
35	Storage Mitigation	-						
36	Transportation Mitigation	(43,498)						
37	Total Mitigation		(131,955)					
38								
39	GSMIP Incentive Sharing		1,000					
40								
41	Core Market Administration Costs		3,867					
42								
43	Net Transportation Fuel [(a)]			518				
44	UAF (Sales and T-Service) [(b)]			(1,484)				
45	UAF & Net Transportation Fuel				(967)			
46	Propane Own Use and UAF					(10)		
47	Net MCRA Commodity (Lines 24, 34 & 45)				-			
48	**Total MCRA Costs** (Lines 24, 29, 31, 37, 39, & 41)		**$ 208,478**				**$ 1.359**	Midstream average unit cost
49	**Total Sales Quantities for RS1-RS7 & RS46 (Natural Gas & Propane)**				**153,438**			Reference to Tab 2, Page 6, Line 1, Col. 7
50	**Total Forecast Gas Costs** (Lines 12 & 48)		$ 637,976					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.

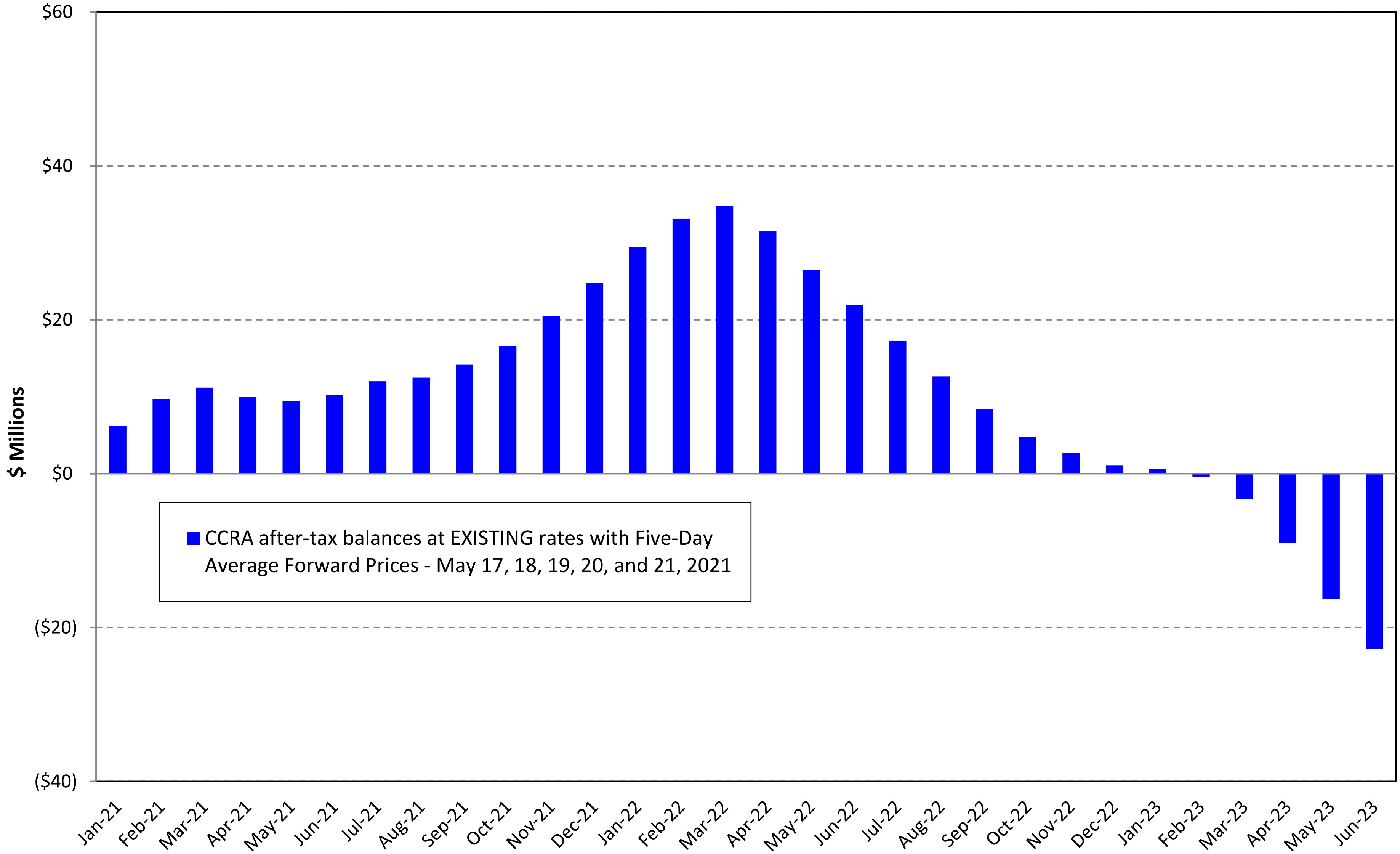
Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
RECONCILIATION OF GAS COST INCURRED
FOR THE FORECAST PERIOD JUL 2021 TO JUN 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021
$(Millions)

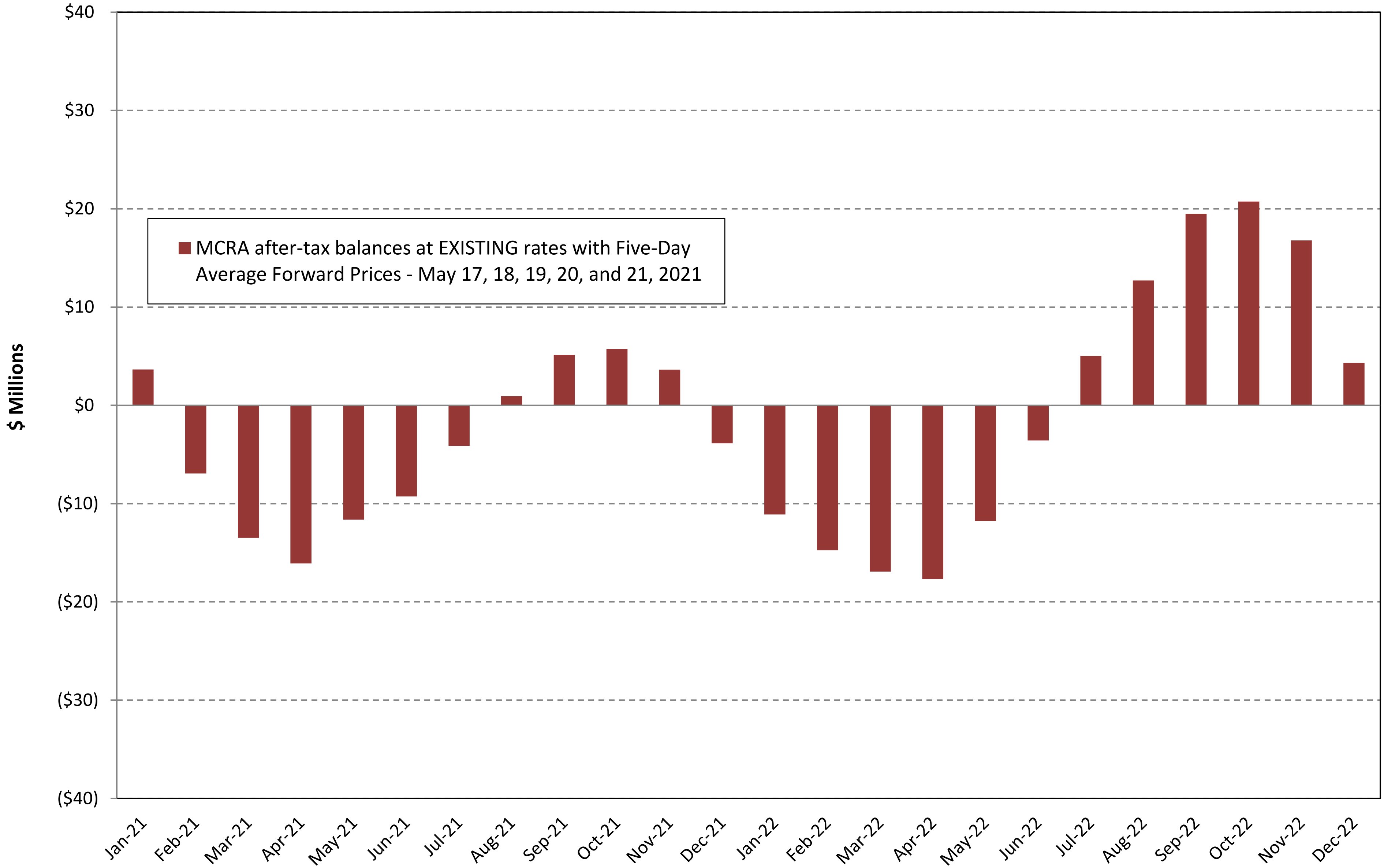
Line	Particulars	CCRA / MCRA Deferral Account Forecast	Gas Budget Cost Summary	References
	(1)	(2)	(3)	(4)
1	Gas Cost Incurred			
2	CCRA	$ 429		(Tab 1, Page 1, Col.14, Line 16)
3	MCRA	208		(Tab 2, Page 6.1, Col.15, Line 37)
4				
5				
6	Gas Budget Cost Summary			
7	CCRA		$ 429	(Tab 1, Page 7, Col.3, Line 11)
8	MCRA		208	(Tab 1, Page 7, Col.3, Line 48)
9				
10				
11	**Totals Reconciled**	$ 638	$ 638	

Slight differences in totals due to rounding.

FortisBC Energy Inc. - Mainland and Vancouver Island Service Area
CCRA After-Tax Monthly Balances
Recorded to April 2021 and Forecast to June 2023



FortisBC Energy Inc. - Mainland and Vancouver Island Service Area
MCRA After-Tax Monthly Balances
Recorded to April 2021 and Forecast to December 2022



FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
CCRA INCURRED MONTHLY ACTIVITIES
RECORDED PERIOD TO APR 2021 AND FORECAST TO JUN 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Line	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1															**Jan-21 to**
2			Recorded	Recorded	Recorded	Recorded	Projected	Projected							**Jun-21**
3			Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21							**Total**
4	**CCRA QUANTITIES**														
5	Commodity Purchase	(TJ)													
6	STN 2		9,656	8,712	9,636	9,058	9,704	9,391							56,158
7	AECO		3,058	2,760	3,052	2,970	3,127	3,026							17,993
8	Total Commodity Purchased		12,714	11,472	12,689	12,028	12,831	12,417							74,150
9	Fuel Gas Provided to Midstream		(480)	(433)	(479)	(466)	(485)	(469)							(2,812)
10	**Commodity Available for Sale**		12,234	11,038	12,209	11,562	12,346	11,948							71,338
11															
12	**CCRA COSTS**														
13	Commodity Costs	($000)													
14	STN 2		$ 25,032	$ 27,188	$ 27,590	$ 23,813	$ 25,757	$ 26,830							$ 156,210
15	AECO		7,770	8,701	8,792	7,688	8,517	8,708							50,177
16	Commodity Costs before Hedging		$ 32,802	$ 35,889	$ 36,382	$ 31,502	$ 34,274	$ 35,537							$ 206,386
17	Hedging Cost / (Gain)		150	655	563	-	-	-							1,368
18	Core Market Administration Costs		158	85	103	146	138	138							768
19	**Total CCRA Costs**		$ 33,111	$ 36,628	$ 37,035	$ 31,647	$ 34,412	$ 35,675							$ 208,522
20															
21															
22	CCRA Unit Cost	($/GJ)	$ 2.706	$ 3.318	$ 3.033	$ 2.737	$ 2.787	$ 2.986							$ 2.923
23															
24															
25			Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**1-12 months**
26			Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	**Total**
27	**CCRA QUANTITIES**														
28	Commodity Purchase	(TJ)													
29	STN 2		9,704	9,704	9,391	9,704	9,391	9,704	9,704	8,765	9,704	9,391	9,704	9,391	114,260
30	AECO		3,127	3,127	3,026	3,127	3,026	3,127	3,127	2,824	3,127	3,026	3,127	3,026	36,815
31	Total Commodity Purchased		12,831	12,831	12,417	12,831	12,417	12,831	12,831	11,589	12,831	12,417	12,831	12,417	151,074
32	Fuel Gas Provided to Midstream		(485)	(485)	(469)	(485)	(469)	(485)	(485)	(438)	(485)	(469)	(485)	(469)	(5,706)
33	**Commodity Available for Sale**		12,346	12,346	11,948	12,346	11,948	12,346	12,346	11,152	12,346	11,948	12,346	11,948	145,368
34															
35	**CCRA COSTS**	($000)													
36	Commodity Costs														
37	STN 2		$ 28,327	$ 27,024	$ 27,411	$ 28,999	$ 29,954	$ 31,164	$ 31,528	$ 27,757	$ 28,170	$ 22,000	$ 21,131	$ 20,811	$ 324,277
38	AECO		9,101	8,571	8,767	9,283	9,265	9,687	9,799	8,847	9,135	7,328	7,008	6,772	103,564
39	Commodity Costs before Hedging		$ 37,428	$ 35,596	$ 36,178	$ 38,283	$ 39,219	$ 40,851	$ 41,327	$ 36,604	$ 37,305	$ 29,328	$ 28,139	$ 27,583	$ 427,841
40	Hedging Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
41	Core Market Administration Costs		138	138	138	138	138	138	138	138	138	138	138	138	1,657
42	**Total CCRA Costs**		$ 37,566	$ 35,734	$ 36,316	$ 38,421	$ 39,357	$ 40,989	$ 41,465	$ 36,742	$ 37,443	$ 29,466	$ 28,278	$ 27,721	$ 429,498
43															
44															
45	CCRA Unit Cost	($/GJ)	$ 3.043	$ 2.894	$ 3.039	$ 3.112	$ 3.294	$ 3.320	$ 3.359	$ 3.295	$ 3.033	$ 2.466	$ 2.290	$ 2.320	$ 2.955

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
CCRA INCURRED MONTHLY ACTIVITIES
FORECAST PERIOD FROM JUL 2022 TO JUN 2023
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Line	(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	**13-24 months**
2			Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	**Total**
3	**CCRA QUANTITIES**														
4	Commodity Purchase	(TJ)													
5	STN 2		9,845	9,845	9,527	9,845	9,527	9,845	9,845	8,892	9,845	9,527	9,845	9,527	115,918
6	AECO		3,172	3,172	3,070	3,172	3,070	3,172	3,172	2,865	3,172	3,070	3,172	3,070	37,349
7	Total Commodity Purchased		13,017	13,017	12,597	13,017	12,597	13,017	13,017	11,757	13,017	12,597	13,017	12,597	153,266
8	Fuel Gas Provided to Midstream		(492)	(492)	(476)	(492)	(476)	(492)	(492)	(444)	(492)	(476)	(492)	(476)	(5,789)
9	**Commodity Available for Sale**		12,526	12,526	12,121	12,526	12,121	12,526	12,526	11,313	12,526	12,121	12,526	12,121	147,478
10															
11															
12	**CCRA COSTS**	($000)													
13	Commodity Costs														
14	STN 2		$ 21,955	$ 22,009	$ 21,582	$ 23,201	$ 23,950	$ 25,419	$ 26,510	$ 23,141	$ 23,715	$ 19,927	$ 19,135	$ 19,235	$ 269,781
15	AECO		7,095	7,135	6,956	7,334	7,441	7,955	8,341	7,496	7,775	6,612	6,315	6,221	86,675
16	Commodity Costs before Hedging		$ 29,050	$ 29,144	$ 28,538	$ 30,534	$ 31,391	$ 33,374	$ 34,851	$ 30,637	$ 31,490	$ 26,539	$ 25,450	$ 25,456	$ 356,456
17	Hedging Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
18	Core Market Administration Costs		138	138	138	138	138	138	138	138	138	138	138	138	1,657
19	**Total CCRA Costs**		$ 29,188	$ 29,282	$ 28,676	$ 30,673	$ 31,530	$ 33,512	$ 34,989	$ 30,775	$ 31,629	$ 26,677	$ 25,588	$ 25,594	$ 358,113
20															
21															
22	CCRA Unit Cost	($/GJ)	$ 2.330	$ 2.338	$ 2.366	$ 2.449	$ 2.601	$ 2.676	$ 2.793	$ 2.720	$ 2.525	$ 2.201	$ 2.043	$ 2.111	$ 2.428

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 JUL 1, 2021 TO JUN 30, 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Line	Particulars	Unit	RS-1 to RS-7
	(1)		(2)
1	**CCRA Baseload**	TJ	145,368
2			
3			
4	**CCRA Incurred Costs**	$000	
5	STN 2		$ 324,277.1
6	AECO		103,564.2
7	CCRA Commodity Costs before Hedging		$ 427,841.3
8	Hedging Cost / (Gain)		-
9	Core Market Administration Costs		1,657.2
10	**Total Incurred Costs before CCRA deferral amortization**		$ 429,498.5
11			
12	Pre-tax CCRA Deficit / (Surplus) as of Jul 1, 2021		14,008.8
13	**Total CCRA Incurred Costs**		$ 443,507.3
14			
15			
16	**CCRA Incurred Unit Costs**	$/GJ	
17	CCRA Commodity Costs before Hedging		$ 2.9432
18	Hedging Cost / (Gain)		-
19	Core Market Administration Costs		0.0114
20	Total Incurred Costs before CCRA deferral amortization		$ 2.9546
21	Pre-tax CCRA Deficit / (Surplus) as of Jul 1, 2021		0.0964
22	**CCRA Gas Costs Incurred -- Flow-Through**		$ 3.0509
23			
24			
25			
26			
27			
28			
29	**Cost of Gas (Commodity Cost Recovery Charge)**		**RS-1 to RS-7**
30			
31	**TESTED Flow-Through Cost of Gas effective Jul 1, 2021**		**$ 3.051**
32			
33	Existing Cost of Gas (effective since Oct 1, 2020)		$ 2.844
34			
35	Cost of Gas Increase / (Decrease)	$/GJ	$ 0.207
36			
37	Cost of Gas Percentage Increase / (Decrease)		7.28%

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 - MAY 17, 18, 19, 20, AND 21, 2021

Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Opening balance	Recorded Jan-21	Recorded Feb-21	Recorded Mar-21	Recorded Apr-21	Projected May-21	Projected 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	Midstream Commodity Related Costs														
3	Total Costs of Propane		$ 395.1	$ 598.1	$ 328.3	$ 202.5	$ 153.3	$ 109.5	$ 112.2	$ 107.9	$ 124.3	$ 227.2	$ 369.9	$ 532.2	$ 3,260.4
4	Propane Costs Recovered based on Commodity Rate [(a)]		(116.2)	(107.4)	(82.9)	(62.7)	(34.6)	(24.7)	(25.9)	(25.6)	(29.8)	(53.5)	(84.7)	(120.0)	(768.0)
5	Propane Inventory Adjustment		11.0	109.4	11.8	(14.9)	-	-	-	-	-	-	-	-	117.3
6	Propane Costs to be Recovered via Midstream Rates [(a)]		$ 289.9	$ 600.1	$ 257.1	$ 124.9	$ 118.7	$ 84.8	$ 86.3	$ 82.3	$ 94.5	$ 173.7	$ 285.2	$ 412.3	$ 2,609.7
7	Midstream Natural Gas Costs before Hedging [(b)]		18,540.2	24,528.3	14,982.4	1,085.6	656.2	695.7	720.8	678.6	692.9	733.8	13,912.7	20,142.9	97,370.1
8	Hedging Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
9	Imbalance [(c)]	$ 1,678.4	(436.9)	299.8	(477.7)	0.7	-	-	-	-	-	-	-	(1,064.5)	(1,678.4)
10	Company Use Gas Recovered from O&M		(610.9)	(350.2)	(287.9)	(131.4)	(246.9)	(218.4)	(165.6)	(110.3)	(154.0)	(231.5)	(494.6)	(803.6)	(3,805.3)
11	Storage Withdrawal / (Injection) Activity [(d)]		13,753.5	13,223.0	10,114.6	(5,195.3)	(11,267.3)	(14,722.3)	(14,863.6)	(11,991.5)	(14,002.2)	(5,157.3)	13,813.7	15,664.4	(10,630.5)
12	Total Midstream Commodity Related Costs		$ 31,535.8	$ 38,301.1	$ 24,588.7	$ (4,115.6)	$ (10,739.3)	$ (14,160.3)	$ (14,222.1)	$ (11,340.9)	$ (13,368.8)	$ (4,481.3)	$ 27,516.9	$ 34,351.4	$ 83,865.7
13															
14	Storage Related Costs														
15	Storage Demand - Third Party Storage		$ 2,677.7	$ 2,662.8	$ 2,652.9	$ 2,621.5	$ 3,812.3	$ 3,834.5	$ 3,839.8	$ 3,839.8	$ 3,833.8	$ 3,708.4	$ 2,503.7	$ 2,513.7	$ 38,500.8
16	On-System Storage - Mt. Hayes (LNG)		1,580.4	1,537.5	1,535.7	1,662.5	1,709.7	1,715.8	1,519.3	1,519.2	1,519.2	1,720.6	1,610.3	1,523.9	19,154.1
17	Total Storage Related Costs		$ 4,258.1	$ 4,200.3	$ 4,188.6	$ 4,284.0	$ 5,522.0	$ 5,550.4	$ 5,359.1	$ 5,359.0	$ 5,353.0	$ 5,428.9	$ 4,114.0	$ 4,037.5	$ 57,655.0
18															
19	Transportation Related Costs														
20	Enbridge (BC Pipeline) - Westcoast Energy		$ 12,464.8	$ 14,257.7	$ 13,891.4	$ 11,965.8	$ 11,284.5	$ 11,313.1	$ 11,337.3	$ 11,412.7	$ 11,393.8	$ 11,445.4	$ 13,502.1	$ 13,773.9	$ 148,042.4
21	TransCanada (Foothills BC)		323.2	326.9	322.0	230.7	246.4	246.4	246.4	246.4	246.4	246.4	324.1	324.1	3,329.3
22	TransCanada (NOVA Alta)		886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	10,641.2
23	Northwest Pipeline		745.8	707.4	710.9	345.9	366.2	361.8	364.9	337.0	333.7	337.0	681.4	709.9	6,001.9
24	FortisBC Huntingdon Inc.		11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	140.5
25	Southern Crossing Pipeline		1,107.0	1,107.0	1,107.0	1,107.0	1,128.2	1,091.8	1,128.2	1,128.2	1,091.8	1,128.2	1,091.8	1,128.2	13,344.8
26	Total Transportation Related Costs		$ 15,539.3	$ 17,297.5	$ 16,929.7	$ 14,547.9	$ 13,923.7	$ 13,911.6	$ 13,975.2	$ 14,022.9	$ 13,964.2	$ 14,055.5	$ 16,497.9	$ 16,834.6	$ 181,500.0
27															
28	Mitigation														
29	Commodity Related Mitigation		$ (14,406.8)	$ (13,173.1)	$ (15,439.1)	$ (2,551.8)	$ (3,106.9)	$ (5,307.6)	$ (9,101.8)	$ (11,239.7)	$ (5,712.7)	$ (1,425.1)	$ (15,079.5)	$ (1,870.2)	$ (98,414.3)
30	Storage Related Mitigation		-	-	-	3,317.0	-	-	-	-	-	-	-	-	3,317.0
31	Transportation Related Mitigation		(1,719.7)	(3,441.2)	(1,579.6)	(4,619.0)	(4,426.1)	(4,974.0)	(6,021.2)	(7,620.1)	(6,022.3)	(4,408.9)	(1,436.9)	(1,359.6)	(47,628.6)
32	Total Mitigation		$ (16,126.5)	$ (16,614.3)	$ (17,018.7)	$ (3,853.8)	$ (7,533.1)	$ (10,281.6)	$ (15,123.0)	$ (18,859.8)	$ (11,735.0)	$ (5,833.9)	$ (16,516.3)	$ (3,229.9)	$ (142,726.0)
33															
34	GSMIP Incentive Sharing		$ 342.8	$ 318.8	$ 245.5	$ 130.5	$ 83.3	$ 83.3	$ 83.3	$ 83.3	$ 83.3	$ 83.3	$ 83.3	$ 83.3	$ 1,704.2
35															
36	Core Market Administration Costs		$ 369.3	$ 197.8	$ 239.8	$ 342.5	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 3,727.2
37	**TOTAL MCRA COSTS** ($000) (Line 12, 17, 26, 32, 34 & 36)		$ 35,918.7	$ 43,701.1	$ 29,173.5	$ 11,335.5	$ 1,578.9	$ (4,574.3)	$ (9,605.2)	$ (10,413.2)	$ (5,381.1)	$ 9,574.7	$ 32,018.0	$ 52,399.3	$ 185,726.1

Notes:

(a) Both propane costs and recoveries (commodity and midstream) for Revelstoke flow through in MCRA. That is, the propane costs to be recovered via midstream rates are net of the propane commodity recovery at the existing Commodity Cost Recovery Charge in Line 4.

(b) 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.

(c) 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 2021 opening balance reflects FEI owed Enbridge / Transportation Marketers 665 TJ of gas valued at $1,678 K. 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) 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 2022
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Opening balance	Forecast Jan-22	Forecast Feb-22	Forecast Mar-22	Forecast Apr-22	Forecast May-22	Forecast Jun-22	Forecast Jul-22	Forecast Aug-22	Forecast Sep-22	Forecast Oct-22	Forecast Nov-22	Forecast Dec-22	**2022 Total**
1	**MCRA COSTS** ($000)														
2	Midstream Commodity Related Costs														
3	Total Costs of Propane		$ 551.5	$ 435.1	$ 351.5	$ 220.9	$ 123.5	$ 86.3	$ 87.8	$ 87.2	$ 102.9	$ 188.2	$ 303.1	$ 435.4	$ 2,973.3
4	Propane Costs Recovered based on Commodity Rate [(a)]		(122.0)	(98.3)	(87.8)	(61.6)	(35.5)	(25.4)	(26.6)	(26.2)	(30.5)	(54.9)	(86.9)	(123.1)	(778.7)
5	Propane Inventory Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-
6	Propane Costs to be Recovered via Midstream Rates [(a)]		$ 429.5	$ 336.8	$ 263.7	$ 159.3	$ 87.9	$ 60.9	$ 61.2	$ 61.0	$ 72.4	$ 133.3	$ 216.2	$ 312.3	$ 2,194.6
7	Midstream Natural Gas Costs before Hedging [(b)]		20,373.5	18,394.9	13,727.6	1,177.1	558.0	539.3	140.2	141.0	137.5	2,122.8	10,407.1	15,636.3	83,355.2
8	Hedging Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
9	Imbalance [(c)]	$ -	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M		(935.7)	(737.4)	(628.9)	(440.3)	(246.9)	(218.4)	(165.6)	(110.3)	(154.0)	(231.5)	(494.6)	(803.6)	(5,167.2)
11	Storage Withdrawal / (Injection) Activity [(d)]		16,664.5	17,523.6	16,567.0	(9.6)	(11,266.6)	(13,230.3)	(12,695.0)	(9,682.4)	(9,801.9)	(7,169.4)	11,593.8	13,196.8	11,690.5
12	Total Midstream Commodity Related Costs		$ 36,531.7	$ 35,518.0	$ 29,929.4	$ 886.5	$ (10,867.5)	$ (12,848.5)	$ (12,659.2)	$ (9,590.7)	$ (9,746.0)	$ (5,144.8)	$ 21,722.5	$ 28,341.6	$ 92,073.1
13															
14	Storage Related Costs														
15	Storage Demand - Third Party Storage		$ 2,513.6	$ 2,495.2	$ 2,513.0	$ 2,540.6	$ 3,803.2	$ 3,860.9	$ 3,867.3	$ 3,861.8	$ 3,855.9	$ 3,782.5	$ 2,503.5	$ 2,513.4	$ 38,110.7
16	On-System Storage - Mt. Hayes (LNG)		1,524.0	1,523.6	1,523.2	1,519.2	1,709.7	1,715.8	1,519.3	1,519.2	1,519.2	1,720.6	1,610.3	1,523.9	18,928.2
17	Total Storage Related Costs		$ 4,037.7	$ 4,018.8	$ 4,036.2	$ 4,059.8	$ 5,512.9	$ 5,576.7	$ 5,386.6	$ 5,381.0	$ 5,375.1	$ 5,503.0	$ 4,113.8	$ 4,037.3	$ 57,038.9
18															
19	Transportation Related Costs														
20	Enbridge (BC Pipeline) - Westcoast Energy		$ 13,703.9	$ 13,511.8	$ 13,617.4	$ 11,418.3	$ 11,284.5	$ 11,313.1	$ 11,335.3	$ 11,410.5	$ 11,391.6	$ 11,483.0	$ 13,499.4	$ 13,770.6	$ 147,739.2
21	TransCanada (Foothills BC)		324.1	324.1	324.1	243.6	243.6	243.6	246.4	246.4	246.4	246.4	324.1	324.1	3,336.8
22	TransCanada (NOVA Alta)		886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	10,641.2
23	Northwest Pipeline		709.8	662.8	701.7	367.8	374.9	369.7	374.8	337.1	333.8	337.1	681.4	709.9	5,960.7
24	FortisBC Huntingdon Inc.		11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	140.5
25	Southern Crossing Pipeline		1,128.2	1,019.1	1,128.2	1,091.8	1,128.2	1,091.8	1,128.2	1,128.2	1,091.8	1,128.2	1,091.8	1,128.2	13,284.1
26	Total Transportation Related Costs		$ 16,764.5	$ 16,416.2	$ 16,669.8	$ 14,020.0	$ 13,929.7	$ 13,916.7	$ 13,983.2	$ 14,020.6	$ 13,962.1	$ 14,093.2	$ 16,495.3	$ 16,831.3	$ 181,102.6
27															
28	Mitigation														
29	Commodity Related Mitigation		$ (6,177.4)	$ (15,479.4)	$ (18,248.2)	$ (436.4)	$ (923.0)	$ (2,763.8)	$ (6,339.7)	$ (9,744.3)	$ (6,153.9)	$ (434.1)	$ (11,985.8)	$ (2,415.8)	$ (81,101.7)
30	Storage Related Mitigation		-	-	-	-	-	-	-	-	-	-	-	-	-
31	Transportation Related Mitigation		(1,340.8)	(1,228.9)	(1,322.0)	(3,337.2)	(4,426.1)	(4,974.0)	(6,021.2)	(7,620.1)	(6,022.3)	(4,408.9)	(1,436.9)	(1,359.6)	(43,498.0)
32	Total Mitigation		$ (7,518.2)	$ (16,708.3)	$ (19,570.2)	$ (3,773.6)	$ (5,349.1)	$ (7,737.8)	$ (12,360.9)	$ (17,364.4)	$ (12,176.2)	$ (4,842.9)	$ (13,422.7)	$ (3,775.4)	$ (124,599.7)
33															
34	GSMIP Incentive Sharing		$ 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
35															
36	Core Market Administration Costs		$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 3,866.8
37	**TOTAL MCRA COSTS** ($000) (Line 12, 17, 26, 32, 34 & 36)		$ 50,221.3	$ 39,650.3	$ 31,470.8	$ 15,598.3	$ 3,631.5	$ (687.3)	$ (5,244.7)	$ (7,147.9)	$ (2,179.5)	$ 10,014.0	$ 29,314.5	$ 45,840.4	$ 210,481.7

Notes:

(a) Both propane costs and recoveries (commodity and midstream) for Revelstoke flow through in MCRA. That is, the propane costs to be recovered via midstream rates are net of the propane commodity recovery at the existing Commodity Cost Recovery Charge in Line 4.

(b) 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.

(c) 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.

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

Line	Particulars	Unit	Residential RS-1	Commercial RS-2	Commercial RS-3	General Firm RS-5	NGV RS-6	Total MCRA Gas Costs	For Information Only: Seasonal RS-4	General Interruptible RS-7	LNG RS-46	Term & Spot Gas Sales RS-14A	Off-System Interruptible Sales RS-30
	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	**MCRA Sales Quantity** (Natural Gas & Propane)	TJ	79,494.3	29,122.3	26,717.4	18,080.4 (d)	23.3	*153,437.8*	152.2	6,081.6	3,585.6	-	26,255.7
2													
3	**Load Factor Adjusted Quantity**												
4	Load Factor (a)	%	31.0%	30.5%	36.4%	50.4%	100.0%						
5	Load Factor Adjusted Quantity	TJ	256,678.9	95,585.8	73,303.7	35,870.7	23.3	*461,462.3*					
6	Load Factor Adjusted Volumetric Allocation	%	55.6%	20.7%	15.9%	7.8%	0.0%	100.0%					
7													
8	**MCRA Cost of Gas - Load Factor Adjusted Allocation**												
9	Midstream Commodity Related Costs (Net of Mitigation)	$000	**$ 4,433.4**	**$ 1,651.0**	**$ 1,266.1**	**$ 619.6**	**$ 0.4**	**$ 7,970.5**				**$ -**	**$ -**
10	Midstream Commodity (Natural Gas) Related Costs		52,260.6	19,461.6	14,924.9	7,303.4	4.7	93,955.2				-	77,867.8
11	Propane Costs to be Recovered via Midstream Rates		1,375.2	512.1	392.7	192.2	0.1	2,472.4				-	-
12	Midstream Commodity Related Mitigation		(49,202.4)	(18,322.7)	(14,051.5)	(6,876.0)	(4.5)	(88,457.1)				-	(77,867.8)
13	Storage Related Costs (Net of Mitigation)	$000	**31,646.0**	**11,784.8**	**9,037.6**	**4,422.5**	**2.9**	**56,893.7**				**-**	**-**
14	Storage Related Costs		31,646.0	11,784.8	9,037.6	4,422.5	2.9	56,893.7				-	-
15	Storage Related Mitigation		-	-	-	-	-	-				-	-
16	Transportation Related Costs (Net of Mitigation)	$000	**76,520.0**	**28,495.6**	**21,853.0**	**10,693.6**	**6.9**	**137,569.2**				**-**	**-**
17	Transportation Related Costs		100,714.9	37,505.6	28,762.7	14,074.9	9.1	181,067.2				-	-
18	Transportation Related Mitigation		(24,194.9)	(9,010.0)	(6,909.7)	(3,381.2)	(2.2)	(43,498.0)				-	-
19	GSMIP Incentive Sharing	$000	**556.2**	**207.1**	**158.9**	**77.7**	**0.1**	**1,000.0**				**-**	**-**
20	Core Market Administration Costs - MCRA 70%	$000	**2,150.8**	**801.0**	**614.2**	**300.6**	**0.2**	**3,866.8**				**-**	**-**
21	**Total Midstream Cost of Gas Allocated by Rate Class**	$000	$ 115,306.5	$ 42,939.5	$ 32,929.8	$ 16,114.0	$ 10.5	**$ 207,300.2**				$ -	$ -
22	T-Service UAF to be recovered via delivery revenues (b)							1,177.3					
23	**Total MCRA Gas Costs (c)**							$ 208,477.6					
24	**1/2 of Pre-Tax Amort. MCRA Deficit/(Surplus) as of Jul 1, 2021**	$000	$ (3,526.6)	$ (1,313.3)	$ (1,007.2)	$ (492.8)	$ (0.3)	**$ (6,340.2)**					
25													
26								**Average**					
27	**MCRA Cost of Gas Unitized**							**Costs**					
28	Midstream Commodity Related Costs (Net of Mitigation)	$/GJ	$ 0.0558	$ 0.0567	$ 0.0474	$ 0.0343	$ 0.0173	$ 0.0519					
29	Storage Related Costs (Net of Mitigation)	$/GJ	0.3981	0.4047	0.3383	0.2446	0.1233	0.3708					
30	Transportation Related Costs (Net of Mitigation)	$/GJ	0.9626	0.9785	0.8179	0.5914	0.2982	0.8966					
31	GSMIP Incentive Sharing	$/GJ	0.0070	0.0071	0.0059	0.0043	0.0022	0.0065					
32	Core Market Administration Costs - MCRA 70%	$/GJ	0.0271	0.0275	0.0230	0.0166	0.0084	0.0252					
33	**MCRA Flow-Through Costs before MCRA deferral amortization**	$/GJ	$ 1.4505	$ 1.4745	$ 1.2325	$ 0.8912	$ 0.4494	$ 1.3510					
34	**MCRA Deferral Amortization via Rate Rider 6**	$/GJ	$ (0.0444)	$ (0.0451)	$ (0.0377)	$ (0.0273)	$ (0.0137)	$ (0.0413)					

Notes:
(a) Based on the historical 3-year (2017, 2018, and 2019 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 6.1.
(d) Storage & Transport and MCRA Rate Rider 6 charges for RS-4, RS-7, and RS-46 are set at the RS-5 tariff rates. For midstream cost allocation purposes the RS-5 allocations include RS-4, RS-5, RS-7, and RS-46 forecast sales.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
MCRA INCURRED MONTHLY ACTIVITIES FOR THE PERIOD FROM JUL 2021 TO JUN 2022
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - MAY 17, 18, 19, 20, AND 21, 2021

Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Opening	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	Forecast Apr-22	Forecast May-22	Forecast Jun-22	**Jul-21 to Jun-22 Total**
1	**MCRA COSTS** ($000)														
2	Midstream Commodity Related Costs														
3	Total Costs of Propane		$ 112.2	$ 107.9	$ 124.3	$ 227.2	$ 369.9	$ 532.2	$ 551.5	$ 435.1	$ 351.5	$ 220.9	$ 123.5	$ 86.3	$ 3,242.4
4	Propane Costs Recovered based on Commodity Rate [(a)]		(25.9)	(25.6)	(29.8)	(53.5)	(84.7)	(120.0)	(122.0)	(98.3)	(87.8)	(61.6)	(35.5)	(25.4)	(770.0)
5	Propane Inventory Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-
6	Propane Costs to be Recovered via Midstream Rates [(a)]		$ 86.3	$ 82.3	$ 94.5	$ 173.7	$ 285.2	$ 412.3	$ 429.5	$ 336.8	$ 263.7	$ 159.3	$ 87.9	$ 60.9	$ 2,472.4
7	Midstream Natural Gas Costs before Hedging [(b)]		720.8	678.6	692.9	733.8	13,912.7	20,142.9	20,373.5	18,394.9	13,727.6	1,177.1	558.0	539.3	91,652.2
8	Hedging Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
9	Imbalance [(c)]		-	-	-	-	-	(1,064.5)	-	-	-	-	-	-	(1,064.5)
10	Company Use Gas Recovered from O&M		(165.6)	(110.3)	(154.0)	(231.5)	(494.6)	(803.6)	(935.7)	(737.4)	(628.9)	(440.3)	(246.9)	(218.4)	(5,167.2)
11	Storage Withdrawal / (Injection) Activity [(d)]		(14,863.6)	(11,991.5)	(14,002.2)	(5,157.3)	13,813.7	15,664.4	16,664.5	17,523.6	16,567.0	(9.6)	(11,266.6)	(13,230.3)	9,712.0
12	Total Midstream Commodity Related Costs		$ (14,222.1)	$ (11,340.9)	$ (13,368.8)	$ (4,481.3)	$ 27,516.9	$ 34,351.4	$ 36,531.7	$ 35,518.0	$ 29,929.4	$ 886.5	$ (10,867.5)	$ (12,848.5)	$ 97,604.9
13															
14	Storage Related Costs														
15	Storage Demand - Third Party Storage		$ 3,839.8	$ 3,839.8	$ 3,833.8	$ 3,708.4	$ 2,503.7	$ 2,513.7	$ 2,513.6	$ 2,495.2	$ 2,513.0	$ 2,540.6	$ 3,803.2	$ 3,860.9	$ 37,965.5
16	On-System Storage - Mt. Hayes (LNG)		1,519.3	1,519.2	1,519.2	1,720.6	1,610.3	1,523.9	1,524.0	1,523.6	1,523.2	1,519.2	1,709.7	1,715.8	18,928.2
17	Total Storage Related Costs		$ 5,359.1	$ 5,359.0	$ 5,353.0	$ 5,428.9	$ 4,114.0	$ 4,037.5	$ 4,037.7	$ 4,018.8	$ 4,036.2	$ 4,059.8	$ 5,512.9	$ 5,576.7	$ 56,893.7
18															
19	Transportation Related Costs														
20	Enbridge (BC Pipeline) - Westcoast Energy		$ 11,337.3	$ 11,412.7	$ 11,393.8	$ 11,445.4	$ 13,502.1	$ 13,773.9	$ 13,703.9	$ 13,511.8	$ 13,617.4	$ 11,418.3	$ 11,284.5	$ 11,313.1	$ 147,714.0
21	TransCanada (Foothills BC)		246.4	246.4	246.4	246.4	324.1	324.1	324.1	324.1	324.1	243.6	243.6	243.6	3,336.8
22	TransCanada (NOVA Alta)		886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	886.8	10,641.2
23	Northwest Pipeline		364.9	337.0	333.7	337.0	681.4	709.9	709.8	662.8	701.7	367.8	374.9	369.7	5,950.6
24	FortisBC Huntingdon Inc.		11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	140.5
25	Southern Crossing Pipeline		1,128.2	1,128.2	1,091.8	1,128.2	1,091.8	1,128.2	1,128.2	1,019.1	1,128.2	1,091.8	1,128.2	1,091.8	13,284.1
26	Total Transportation Related Costs		$ 13,975.2	$ 14,022.9	$ 13,964.2	$ 14,055.5	$ 16,497.9	$ 16,834.6	$ 16,764.5	$ 16,416.2	$ 16,669.8	$ 14,020.0	$ 13,929.7	$ 13,916.7	$ 181,067.2
27															
28	Mitigation														
29	Commodity Related Mitigation		$ (9,101.8)	$ (11,239.7)	$ (5,712.7)	$ (1,425.1)	$ (15,079.5)	$ (1,870.2)	$ (6,177.4)	$ (15,479.4)	$ (18,248.2)	$ (436.4)	$ (923.0)	$ (2,763.8)	$ (88,457.1)
30	Storage Related Mitigation		-	-	-	-	-	-	-	-	-	-	-	-	-
31	Transportation Related Mitigation		(6,021.2)	(7,620.1)	(6,022.3)	(4,408.9)	(1,436.9)	(1,359.6)	(1,340.8)	(1,228.9)	(1,322.0)	(3,337.2)	(4,426.1)	(4,974.0)	(43,498.0)
32	Total Mitigation		$ (15,123.0)	$ (18,859.8)	$ (11,735.0)	$ (5,833.9)	$ (16,516.3)	$ (3,229.9)	$ (7,518.2)	$ (16,708.3)	$ (19,570.2)	$ (3,773.6)	$ (5,349.1)	$ (7,737.8)	$ (131,955.1)
33															
34	GSMIP Incentive Sharing		$ 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
35															
36	Core Market Administration Costs		$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 322.2	$ 3,866.8
37	**TOTAL MCRA COSTS** ($000) (Line 12, 17, 26, 32, 34 & 36)		$ (9,605.2)	########	$ (5,381.1)	$ 9,574.7	$ 32,018.0	$ 52,399.3	$ 50,221.3	$ 39,650.3	$ 31,470.8	$ 15,598.3	$ 3,631.5	$ (687.3)	$ 208,477.6

Notes:

(a) Both propane costs and recoveries (commodity and midstream) for Revelstoke flow through in MCRA. That is, the propane costs to be recovered via midstream rates are net of the propane commodity recovery at the existing Commodity Cost Recovery Charge in Line 4.

(b) 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.

(c) 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.

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

Slight difference in totals due to rounding.

bcuc
British Columbia
Utilities Commission

Patrick Wruck
Commission Secretary

Commission.Secretary@bcuc.com
bcuc.com

Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

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

The BCUC notes that the Commodity Cost Recovery Charge for the Mainland and Vancouver Island service area was last changed by Order G-231-20, effective October 1, 2020, when it increased by $0.565 per gigajoule from $2.279 per gigajoule to $2.844 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, L-40-11 and L-15-16. The 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 $2.844 per gigajoule, effective July 1, 2021.

The BCUC will hold the information in Tab 3 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