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June 1, 2022

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
2022 Second Quarter Gas Cost Report**

The attached materials provide the FortisBC Energy Inc. (FEI or the Company) 2022 Second Quarter Gas Cost Report for Fort Nelson (the Second Quarter Gas 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 10, 11, 12, 13, and 16, 2022 forward prices (five-day average forward prices ending May 16, 2022).

GCRA and Commodity Cost Recovery Charge

Based on the five-day average forward prices ending May 16, 2022, the June 30, 2022 GCRA deferral balance is projected to be approximately \$236.7 thousand deficit after tax. At the existing commodity rate, the GCRA ratio is calculated to be 52.4 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 \$3.595/GJ, which exceeds the \$0.50/GJ minimum rate change threshold. The results of the two-criterion rate adjustment mechanism indicate that a rate change is required, effective July 1, 2022.

The indicated rate change, based on the standard 12-month prospective rate setting period, would increase the commodity rate from the existing \$3.964/GJ to \$7.559/GJ effective July 1, 2022, and equates to an annual bill for a typical Fort Nelson residential customer with an average annual consumption of 125 GJ per year increasing by approximately \$449 or 39.9 percent.

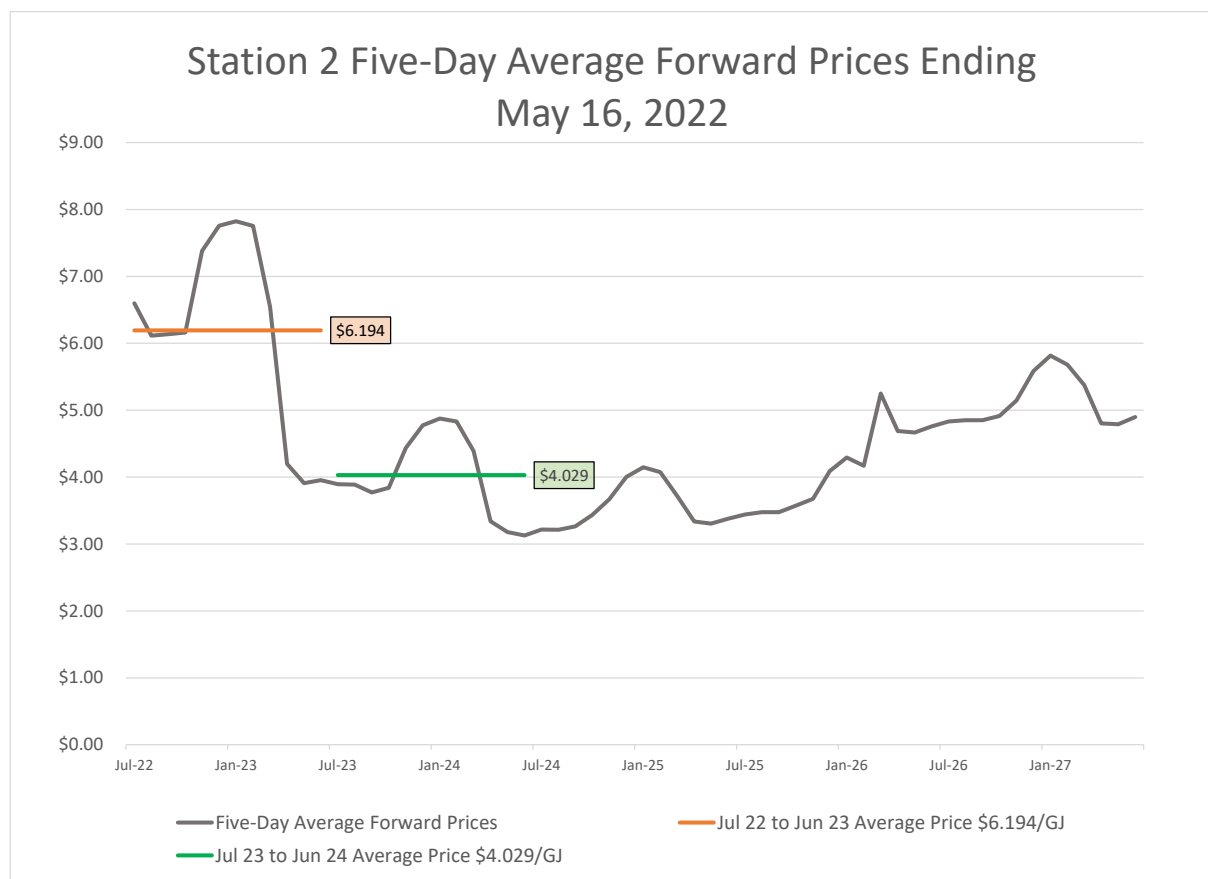
The schedules at Tab 1, Pages 2 to 4 provide details of the recorded and forecast (based on the five-day average forward prices ending May 16, 2022) monthly GCRA balances, including the commodity and midstream related costs and recoveries for July 2022 to June 2024.

Discussion

The forward western Canadian natural gas prices have increased significantly from the forward prices used in the FEI 2022 First Quarter Gas Cost Report for Fort Nelson, when the commodity cost recovery rate did not require a change despite forward prices rising. The forward prices have experienced continued, and large, increases due to stronger prices at Henry Hub, which is the pricing point for natural gas futures across North America. In addition, increasing demand for natural gas and western Canadian storage inventory well below the 5 year average have contributed to the increase in prices.

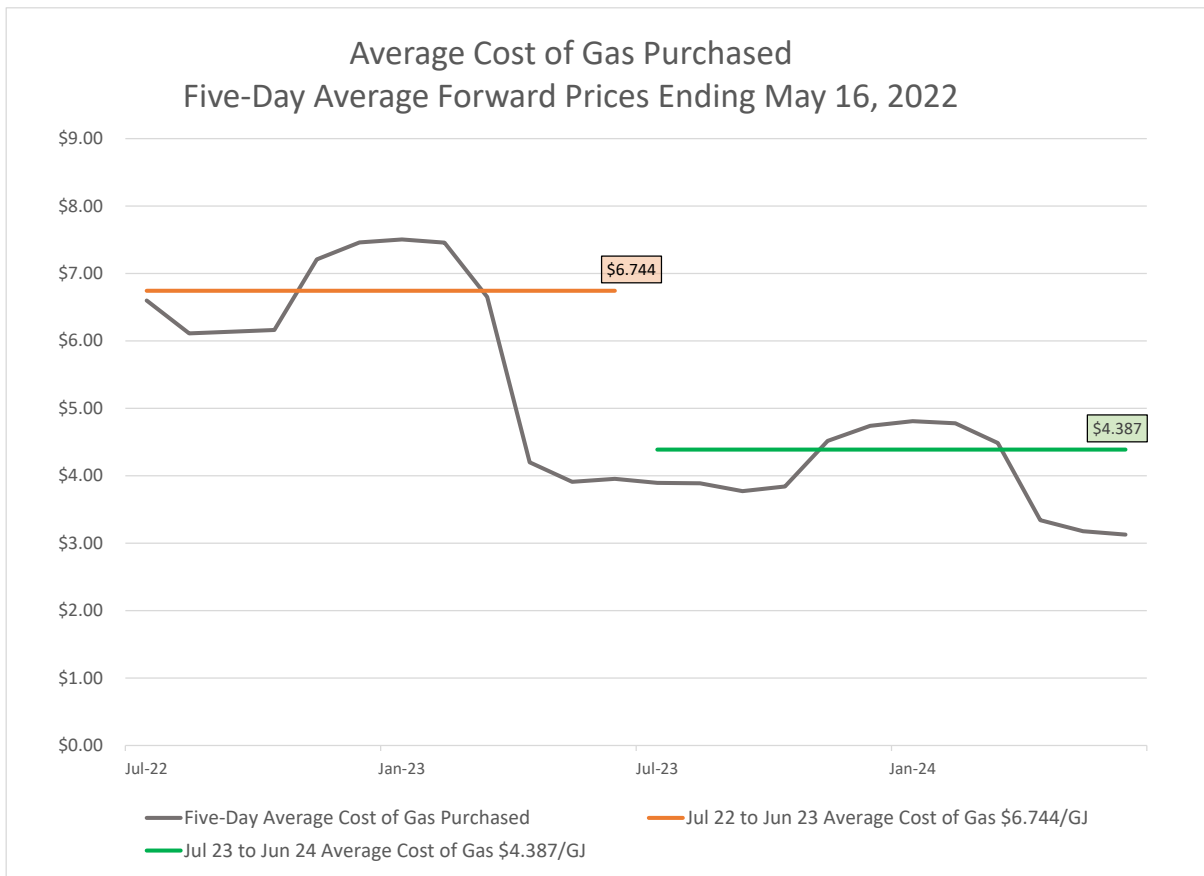
Station 2 natural gas prices are the primary cost driver of the Fort Nelson commodity supply portfolio. As shown in Figure 1, the Station 2 forward prices for the prospective 12 months, July 2022 to June 2023, are about 53.7% higher than those for the following 12 month period, July 2023 to June 2024. The market appears to support a moderating of current market prices after winter 2022/23.

Figure 1: Station 2 Forward Prices



The forecast average unit cost of gas purchased within the Fort Nelson portfolio, based on the five-day average forward prices ending May 16, 2022, is shown at Line 6 on Tab 1, Pages 3 and 4. As shown in Figure 2, the average unit cost of commodity purchases for the prospective 12 months, July 2022 to June 2023, is also about 53.7% higher than those for the following 12 month period, July 2023 to June 2024.

Figure 2: Fort Nelson Portfolio Forecast Commodity Costs



Although the revisions to the BCUC guidelines for gas cost rate setting, approved pursuant to Letter L-15-16, apply specifically for FEI's quarterly gas cost reports for the Commodity Cost Reconciliation Account (CCRA) and the Commodity Cost Recovery Charge for the Mainland and Vancouver Island service area, Letter L-15-16 allows for FEI to submit a proposal to apply some or all of the elements of the revisions to the Fort Nelson service area.

Letter L-15-16 provides criteria for clarification of when consideration is to be given to commodity rate proposals beyond the standard 12-month prospective period. The circumstances reflected in the forecast weighted average cost of gas (WACOG) purchased within the Fort Nelson portfolio, based on the five-day average forward prices ending May 16, 2022, meet all of the criteria identified to assist the BCUC when considering commodity rate change proposals using a 24-month rate setting period rather than the standard 12-month prospective period. The approved criteria, and the results for each, are as follows:

- When a commodity rate change is indicated using a standard 12-month prospective period.
 - The indicated rate change, based on the standard 12-month prospective rate setting period, is a rate increase of \$3.595/GJ effective July 1, 2022.
- When there is a difference of \$0.75/GJ or more between the WACOG for year one versus year two of the 24-month prospective period.
 - The year one WACOG is \$6.744/GJ, and the year two WACOG is \$4.387/GJ. A difference of \$2.357/GJ.
- When the direction of the commodity rate change indicated using a standard 12-month prospective period is opposite to the direction of the WACOG for year two compared to the WACOG for year one.
 - Based on using a standard 12-month prospective period and comparing the rate changes indicated for year one (July 2022 to June 2023) compared to year two (July 2023 to June 2024), the year one commodity rate increase is calculated to be \$3.595/GJ, increasing the commodity rate from \$3.964/GJ to \$7.559/GJ effective July 1, 2022. The year two commodity rate would, based on a July 1, 2023 effective date, decrease from \$7.559/GJ to approximately the year two WACOG amount of \$4.387/GJ, a decrease of \$3.172/GJ.

Commodity Rate Setting Alternative Based on 24-Month Outlook

FEI notes, as discussed above, that the forecast data and circumstances within the Second Quarter Gas Cost Report fully meet the approved criteria of when it may be appropriate to set commodity rate changes utilizing a 24-month prospective period. Therefore, FEI believes it appropriate that the BCUC consider a commodity rate change utilizing a 24-month outlook for Fort Nelson, as proposed within this filing.

Within the attached Alternative A section of the report, FEI provides an alternative scenario to managing the GCRA and setting the commodity rate effective July 1, 2022 based on a 24-month prospective rate setting period. The schedules in Alternative A – Tabs 2, 4, and 5 show the forecast deferral account balances and bill impacts based on the flow through of a \$2.077/GJ increase, calculated using a 24-month prospective rate setting period (as shown at Alternative A – Tab 1, Page 1). The indicated rate change, based on a 24-month prospective rate setting period, would increase the commodity rate from the existing \$3.964/GJ to \$6.041/GJ effective July 1, 2022, and equates to an annual bill for a typical Fort Nelson residential customer with an average annual consumption of 125 GJ per year increasing by approximately \$260 or 23.1 percent.

The Company proposes to flow through the \$2.077/GJ commodity rate increase, based on the 24-month prospective rate setting mechanism, to address the current GCRA deficit and the prospective under recovery of gas costs in a timely manner, and to ameliorate the impact of the higher forward prices forecast in the first 12-month prospective period.

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

CONFIDENTIALITY

FEI is requesting that this information be filed on a confidential basis pursuant to Section 18 of the BCUC's Rules of Practice and Procedure regarding confidential documents adopted by Order G-15-19, and Section 71(5) of the *Utilities Commission Act* and requests that the BCUC exercise its discretion under Section 6.0 of the Rules for Natural Gas Energy Supply Contracts and allow these documents to remain confidential. FEI believes this will ensure that market sensitive information is protected, and FEI's ability to obtain 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 BCUC approval to flow through a \$2.077/GJ increase to the Commodity Cost Recovery Charge (CCRC), increasing the CCRC applicable to all sales rate classes in the Fort Nelson service area from \$3.964/GJ to \$6.041/GJ, effective July 1, 2022.

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 2022 Third Quarter Gas Cost Report. Further, under normal circumstances the storage and transport rates will be adjusted on an annual basis with a January 1 effective date.

We trust the BCUC will find the attached to be in order. However, should any further information be required, please contact 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 2022 TO JUN 2023
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

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, 2022	\$ 324.3				(Tab 1, Page 3, Col 14, Line 1)
4	Forecast Total Commodity Related Costs - Jul 2022 to Jun 2023	\$ 3,155.0				(Tab 1, Page 3, Col 14, Line 11)
5	Forecast Storage and Transport Related Activities Imbalance at 2022 Flow Through Rates - Jul to Dec 2022	\$ (3.0)				(Tab 1, Page 3, Line 26 notes)
6	Forecast Recovery at Existing Commodity Cost Recovery Charge - Jul 2022 to Jun 2023	\$ 1,823.1				(Tab 1, Page 3, Col 14, Line 18)
7						
8						
9	Trigger = $\frac{\text{Forecast Recovery at Existing Cost of Gas Recovery Rate (Line 6)}}{\text{Projected GCRA Balance (Line 3) + Forecast Commodity Related Costs (Line 4) + Forecast Storage and Transport Related Activities Imbalance (Line 5)}}$	\$ 1,823.1				
10	Ratio = $\frac{\text{Forecast Recovery at Existing Cost of Gas Recovery Rate (Line 6)}}{\text{Projected GCRA Balance (Line 3) + Forecast Commodity Related Costs (Line 4) + Forecast Storage and Transport Related Activities Imbalance (Line 5)}}$	\$ 3,476.3				
11				52.4%		Outside 95% to 105% deadband
12						
13						
14	<u>Existing Commodity Cost Recovery Charge, effective October 1, 2021</u>				\$ 3.964	
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 2022 to Jun 2023		459.9			(Tab 1, Page 3, Col 14, Line 14)
22	(a)					
23	Projected Pre-Tax GCRA Balance at Jul 1, 2022	\$ 324.3			\$ 0.7050	(b)
24	Forecast 12-month GCRA Activities - Jul 2022 to Jun 2023	1,328.9			2.8895	(b)
25	(Over) / Under Recovery at Existing Commodity Cost Recovery Charge	\$ 1,653.2				(Line 3 + Line 4 + Line 5 - Line 6)
26						
27	Tested Commodity Cost Recovery Charge (Decrease) / Increase				\$ 3.595	(b) Exceeds minimum +/- \$0.50/GJ threshold & +/- \$1.00/GJ cap

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 2022 AND FORECAST TO JUN 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Tab 1
Page 2

Line No.	Particulars		Recorded Jan-22	Recorded Feb-22	Recorded Mar-22	Recorded Apr-22	Projected May-22	Projected Jun-22								Jan-22 to Jun-22
	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$	\$ 61,508	\$ 92,814	\$ 32,774	\$ 94,468	\$ 166,702	\$ 299,598								\$ 61,508
2																
3	2022 GCRA Activities															
4	<u>Commodity Costs Incurred</u>															
5	Commodity Purchases ^(b)	GJ	94,400	86,000	62,400	47,200	18,281	9,187								317,468
6	Average Unit Cost of Gas Purchased	\$/GJ	\$ 3.778	\$ 4.282	\$ 4.404	\$ 6.428	\$ 5.408	\$ 6.429								\$ 4.621
7	(Line 8 / Line 5)															
8	Total Purchase Costs	\$	\$ 356,659	\$ 368,227	\$ 274,802	\$ 303,387	\$ 98,875	\$ 59,058								\$ 1,461,007
9	Imbalance Gas ^(c)		11,850	(21,618)	3,697	(16,654)	34,710	-								11,985
10	Company Use Gas Recovered from O&M		(1,538)	(754)	(1,241)	(910)	(1,055)	(354)								(5,851)
11	Commodity Related Costs Total (Lines 8, 9 & 10)	\$	\$ 366,971	\$ 345,855	\$ 277,258	\$ 285,823	\$ 132,529	\$ 58,704								\$ 1,467,141
12																
13	<u>Commodity Costs Recoveries</u>															
14	Sales Rate Classes Recovered	GJ	83,560	101,056	53,899	53,390	17,784	8,979								318,668
15	Adjust Sales Under / (Over) Accrual ^(d)	GJ	-	-	-	-	(17,663)	-								(17,663)
16	Recovery @ Approved Commodity Cost Recovery Rate	\$	\$ (331,232)	\$ (400,318)	\$ (213,524)	\$ (211,639)	\$ (479)	\$ (35,593)								\$ (1,192,785)
17	T-Service Balancing Gas		-	-	-	-	-	-								-
18	T-Service UAF Recovered ^(e)		-	-	-	-	-	-								-
19	Commodity Related Recovery Total (Lines 16, 17 & 18)	\$	\$ (331,232)	\$ (400,318)	\$ (213,524)	\$ (211,639)	\$ (479)	\$ (35,593)								\$ (1,192,785)
20	Total Commodity Related Activities (Lines 11 & 19)	\$	\$ 35,739	\$ (54,463)	\$ 63,735	\$ 74,184	\$ 132,051	\$ 23,111								\$ 274,356
21																
22																
23	<u>Storage and Transport Costs and Recoveries</u>															
24	Transportation Costs Incurred	\$	\$ 2,340	\$ 2,305	\$ 2,308	\$ 2,277	\$ 2,266	\$ 2,266								\$ 13,761
25	Recovery @ Approved Storage & Transport Rates		(6,773)	(7,882)	(4,348)	(4,227)	(1,421)	(713)								(25,364)
26																
27	Total Storage and Transport Related Activities (Lines 24 & 25)	\$	\$ (4,433)	\$ (5,577)	\$ (2,040)	\$ (1,950)	\$ 845	\$ 1,553								\$ (11,603)
28																
29	GCRA Balance - Ending (Pre-tax) (Lines 1, 20 & 27)	\$	\$ 92,814	\$ 32,774	\$ 94,468	\$ 166,702	\$ 299,598	\$ 324,261								\$ 324,261
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)	\$	\$ 67,754	\$ 23,925	\$ 68,962	\$ 121,693	\$ 218,706	\$ 236,711								\$ 236,711

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 2022 TO JUN 2023
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Tab 1
Page 3

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)	\$	\$ 324,262	\$ 342,605	\$ 361,436	\$ 398,178	\$ 478,155	\$ 687,470	\$ 974,774	\$ 1,258,690	\$ 1,482,664	\$ 1,634,259	\$ 1,643,457	\$ 1,644,571	\$ 324,262
2															
3	GCRA Activities														
4	<u>Commodity Costs Incurred</u>														
5	Commodity Purchases ^(b)	GJ	6,185	7,786	16,006	35,589	64,366	82,164	80,137	64,018	56,076	31,274	17,546	8,801	469,948
6	Average Unit Cost of Gas Purchased	\$/GJ	\$ 6.598	\$ 6.112	\$ 6.137	\$ 6.162	\$ 7.208	\$ 7.461	\$ 7.505	\$ 7.457	\$ 6.653	\$ 4.199	\$ 3.910	\$ 3.953	\$ 6.744
7	(Line 8 / Line 5)														
8	Total Purchase Costs	\$	\$ 40,809	\$ 47,592	\$ 98,228	\$ 219,296	\$ 463,973	\$ 613,003	\$ 601,413	\$ 477,413	\$ 373,064	\$ 131,331	\$ 68,607	\$ 34,789	\$ 3,169,519
9	Imbalance Gas ^(c)		-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M		(363)	(208)	(331)	(216)	(2,199)	(2,731)	(2,364)	(2,461)	(1,863)	(777)	(762)	(217)	(14,492)
11	Commodity Related Costs Total	\$	\$ 40,447	\$ 47,384	\$ 97,896	\$ 219,080	\$ 461,774	\$ 610,273	\$ 599,049	\$ 474,952	\$ 371,202	\$ 130,554	\$ 67,845	\$ 34,572	\$ 3,155,028
12															
13	<u>Commodity Costs Recoveries</u>														
14	Sales Rate Classes Recovered	GJ	6,028	7,623	15,685	34,960	62,990	80,430	78,488	62,623	54,863	30,569	17,061	8,600	459,920
15	Recovery @ Approved Commodity Cost Recovery Rate	\$	\$ (23,893)	\$ (30,217)	\$ (62,177)	\$ (138,581)	\$ (249,693)	\$ (318,826)	\$ (311,125)	\$ (248,239)	\$ (217,477)	\$ (121,177)	\$ (67,631)	\$ (34,089)	\$ (1,823,124)
16	T-Service Balancing Gas		-	-	-	-	-	-	-	-	-	-	-	-	-
17	T-Service UAF Recovered ^(d)		-	-	-	-	-	-	-	-	-	-	-	-	-
18	Commodity Related Recovery Total (Lines 15, 16 & 17)	\$	\$ (23,893)	\$ (30,217)	\$ (62,177)	\$ (138,581)	\$ (249,693)	\$ (318,826)	\$ (311,125)	\$ (248,239)	\$ (217,477)	\$ (121,177)	\$ (67,631)	\$ (34,089)	\$ (1,823,124)
19	Total Commodity Related Activities (Lines 11 & 18)	\$	\$ 16,553	\$ 17,167	\$ 35,720	\$ 80,500	\$ 212,081	\$ 291,447	\$ 287,925	\$ 226,713	\$ 153,725	\$ 9,377	\$ 214	\$ 482	\$ 1,331,903
20															
21															
22	<u>Storage and Transport Costs and Recoveries</u>														
23	Transportation Costs Incurred	\$	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 27,191
24	Recovery @ Approved Storage & Transport Rates		(476)	(603)	(1,243)	(2,789)	(5,032)	(6,409)	(6,274)	(5,005)	(4,395)	(2,445)	(1,365)	(684)	(36,721)
25	^(e)														
26	Total Storage and Transport Related Activities (Lines 23 & 24)	\$	\$ 1,790	\$ 1,663	\$ 1,022	\$ (523)	\$ (2,766)	\$ (4,143)	\$ (4,008)	\$ (2,739)	\$ (2,129)	\$ (180)	\$ 901	\$ 1,582	\$ (9,530)
27															
28	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 26)	\$	\$ 342,605	\$ 361,436	\$ 398,178	\$ 478,155	\$ 687,470	\$ 974,774	\$ 1,258,690	\$ 1,482,664	\$ 1,634,259	\$ 1,643,457	\$ 1,644,571	\$ 1,646,636	\$ 1,646,636
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)	\$	\$ 250,102	\$ 263,848	\$ 290,670	\$ 349,053	\$ 501,853	\$ 711,585	\$ 918,844	\$ 1,082,345	\$ 1,193,009	\$ 1,199,724	\$ 1,200,537	\$ 1,202,044	\$ 1,202,044

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 \$2,956 surplus imbalance for the Apr to Dec 2022 forecast period, and \$6,574 surplus imbalance for the Jan to Mar 2023 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 2023 TO JUN 2024
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Tab 1
Page 4

Line No.	Particulars		Forecast Jul-23	Forecast Aug-23	Forecast Sep-23	Forecast Oct-23	Forecast Nov-23	Forecast Dec-23	Forecast Jan-24	Forecast Feb-24	Forecast Mar-24	Forecast Apr-24	Forecast May-24	Forecast Jun-24	Jul-23 to Jun-24
	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$	\$ 1,646,636	\$ 1,648,415	\$ 1,650,033	\$ 1,649,160	\$ 1,646,798	\$ 1,682,150	\$ 1,744,218	\$ 1,810,546	\$ 1,862,044	\$ 1,891,702	\$ 1,874,888	\$ 1,863,747	\$ 1,646,636
2															
3	GCRA Activities														
4	<u>Commodity Costs Incurred</u>														
5	Commodity Purchases ^(b)	GJ	5,917	7,443	15,303	34,096	61,672	78,562	77,363	61,774	54,172	30,208	16,965	8,486	451,962
6	Average Unit Cost of Gas Purchased	\$/GJ	\$ 3.893	\$ 3.888	\$ 3.770	\$ 3.840	\$ 4.516	\$ 4.741	\$ 4.808	\$ 4.778	\$ 4.485	\$ 3.341	\$ 3.177	\$ 3.127	\$ 4.387
7	(Line 8 / Line 5)														
8	Total Purchase Costs	\$	\$ 23,032	\$ 28,940	\$ 57,693	\$ 130,943	\$ 278,484	\$ 372,459	\$ 371,955	\$ 295,137	\$ 242,958	\$ 100,924	\$ 53,899	\$ 26,535	\$ 1,982,959
9	Imbalance Gas ^(c)		-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M		(214)	(132)	(204)	(134)	(1,377)	(1,735)	(1,514)	(1,577)	(1,256)	(618)	(620)	(172)	(9,553)
11	Commodity Related Costs Total	\$	\$ 22,817	\$ 28,808	\$ 57,490	\$ 130,809	\$ 277,107	\$ 370,724	\$ 370,441	\$ 293,560	\$ 241,702	\$ 100,306	\$ 53,279	\$ 26,363	\$ 1,973,406
12															
13	<u>Commodity Costs Recoveries</u>														
14	Sales Rate Classes Recovered	GJ	5,764	7,285	14,995	33,492	60,341	76,889	75,760	60,417	52,992	29,521	16,490	8,290	442,235
15	Recovery @ Approved Commodity Cost Recovery Rate	\$	\$ (22,847)	\$ (28,879)	\$ (59,438)	\$ (132,762)	\$ (239,194)	\$ (304,787)	\$ (300,314)	\$ (239,492)	\$ (210,059)	\$ (117,020)	\$ (65,366)	\$ (32,861)	\$ (1,753,018)
16	T-Service Balancing Gas		-	-	-	-	-	-	-	-	-	-	-	-	-
17	T-Service UAF Recovered ^(d)		-	-	-	-	-	-	-	-	-	-	-	-	-
18	Commodity Related Recovery Total (Lines 15, 16 & 17)	\$	\$ (22,847)	\$ (28,879)	\$ (59,438)	\$ (132,762)	\$ (239,194)	\$ (304,787)	\$ (300,314)	\$ (239,492)	\$ (210,059)	\$ (117,020)	\$ (65,366)	\$ (32,861)	\$ (1,753,018)
19	Total Commodity Related Activities (Lines 11 & 18)	\$	\$ (30)	\$ (71)	\$ (1,949)	\$ (1,953)	\$ 37,913	\$ 65,937	\$ 70,127	\$ 54,068	\$ 31,643	\$ (16,714)	\$ (12,086)	\$ (6,498)	\$ 220,388
20															
21															
22	<u>Storage and Transport Costs and Recoveries</u>														
23	Transportation Costs Incurred	\$	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 27,191
24															
25	Recovery @ Approved Storage & Transport Rates		(456)	(577)	(1,191)	(2,675)	(4,827)	(6,136)	(6,065)	(4,836)	(4,251)	(2,365)	(1,321)	(660)	(35,361)
26	Total Storage and Transport Related Activities	\$	\$ 1,810	\$ 1,689	\$ 1,075	\$ (409)	\$ (2,561)	\$ (3,870)	\$ (3,799)	\$ (2,570)	\$ (1,985)	\$ (99)	\$ 945	\$ 1,606	\$ (8,169)
27	(Lines 23 & 24)														
28	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 26)	\$	\$ 1,648,415	\$ 1,650,033	\$ 1,649,160	\$ 1,646,798	\$ 1,682,150	\$ 1,744,218	\$ 1,810,546	\$ 1,862,044	\$ 1,891,702	\$ 1,874,888	\$ 1,863,747	\$ 1,858,854	\$ 1,858,854
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)	\$	\$ 1,203,343	\$ 1,204,524	\$ 1,203,886	\$ 1,202,162	\$ 1,227,970	\$ 1,273,279	\$ 1,321,698	\$ 1,359,292	\$ 1,380,942	\$ 1,368,668	\$ 1,360,535	\$ 1,356,964	\$ 1,356,964




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 2024

Tab 1
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Line No	Particulars		Five-day Average Forward Prices - May 10, 11, 12, 13, and 16, 2022 2022 Q2 Gas Cost Report		Five-day Average Forward Prices - Feb 14, 15, 16, 17, and 18, 2022 2022 Q1 Gas Cost Report		Change in Forward Price (4) = (2) - (3)	
	(1)		(2)		(3)		(4) = (2) - (3)	
1	Station 2 Index Prices - \$CDN/GJ ^(a)							
2								
3	2022	January	 Recorded	\$ 4.21	Recorded Forecast 	\$ 4.21	\$ -	
4		February		\$ 4.52		\$ 4.52	\$ -	
5		March		\$ 4.65		\$ 4.18	\$ 0.47	
6		April		\$ 6.43		\$ 3.88	\$ 2.54	
7		May		\$ 5.41		\$ 3.80	\$ 1.60	
8		June		\$ 6.43		\$ 3.76	\$ 2.67	
9		July	 Forecast	\$ 6.60		\$ 3.78	\$ 2.81	
10		August		\$ 6.11		\$ 3.43	\$ 2.68	
11		September		\$ 6.14		\$ 3.51	\$ 2.63	
12		October		\$ 6.16		\$ 3.61	\$ 2.55	
13		November		\$ 7.38		\$ 4.25	\$ 3.13	
14		December		\$ 7.76		\$ 4.41	\$ 3.35	
15	2023	January		\$ 7.82		\$ 4.44	\$ 3.38	
16		February		\$ 7.75		\$ 4.38	\$ 3.37	
17		March		\$ 6.55		\$ 3.93	\$ 2.61	
18		April		\$ 4.20		\$ 2.97	\$ 1.23	
19		May		\$ 3.91		\$ 2.75	\$ 1.16	
20		June		\$ 3.95		\$ 2.74	\$ 1.21	
21		July		\$ 3.89		\$ 2.77	\$ 1.13	
22		August		\$ 3.89		\$ 2.78	\$ 1.10	
23		September		\$ 3.77		\$ 2.88	\$ 0.89	
24		October		\$ 3.84		\$ 3.01	\$ 0.83	
25		November		\$ 4.44		\$ 3.33	\$ 1.10	
26		December		\$ 4.78		\$ 3.52	\$ 1.25	
27	2024	January		\$ 4.88		\$ 3.62	\$ 1.25	
28		February		\$ 4.83		\$ 3.57	\$ 1.26	
29		March		\$ 4.39		\$ 3.29	\$ 1.11	
30		April		\$ 3.34				
31		May		\$ 3.18				
32		June		\$ 3.13				
33								
34	Simple Average (Jul 2022 - Jun 2023)			\$ 6.19		\$ 3.68	68.1%	\$ 2.51
35	Simple Average (Oct 2022 - Sep 2023)			\$ 5.59		\$ 3.49	59.9%	\$ 2.09
36	Simple Average (Jan 2023 - Dec 2023)			\$ 4.90		\$ 3.29	48.8%	\$ 1.61
37	Simple Average (Apr 2023 - Mar 2024)			\$ 4.23		\$ 3.10	36.3%	\$ 1.13
38	Simple Average (Jul 2023 - Jun 2024)			\$ 4.03				

Notes:

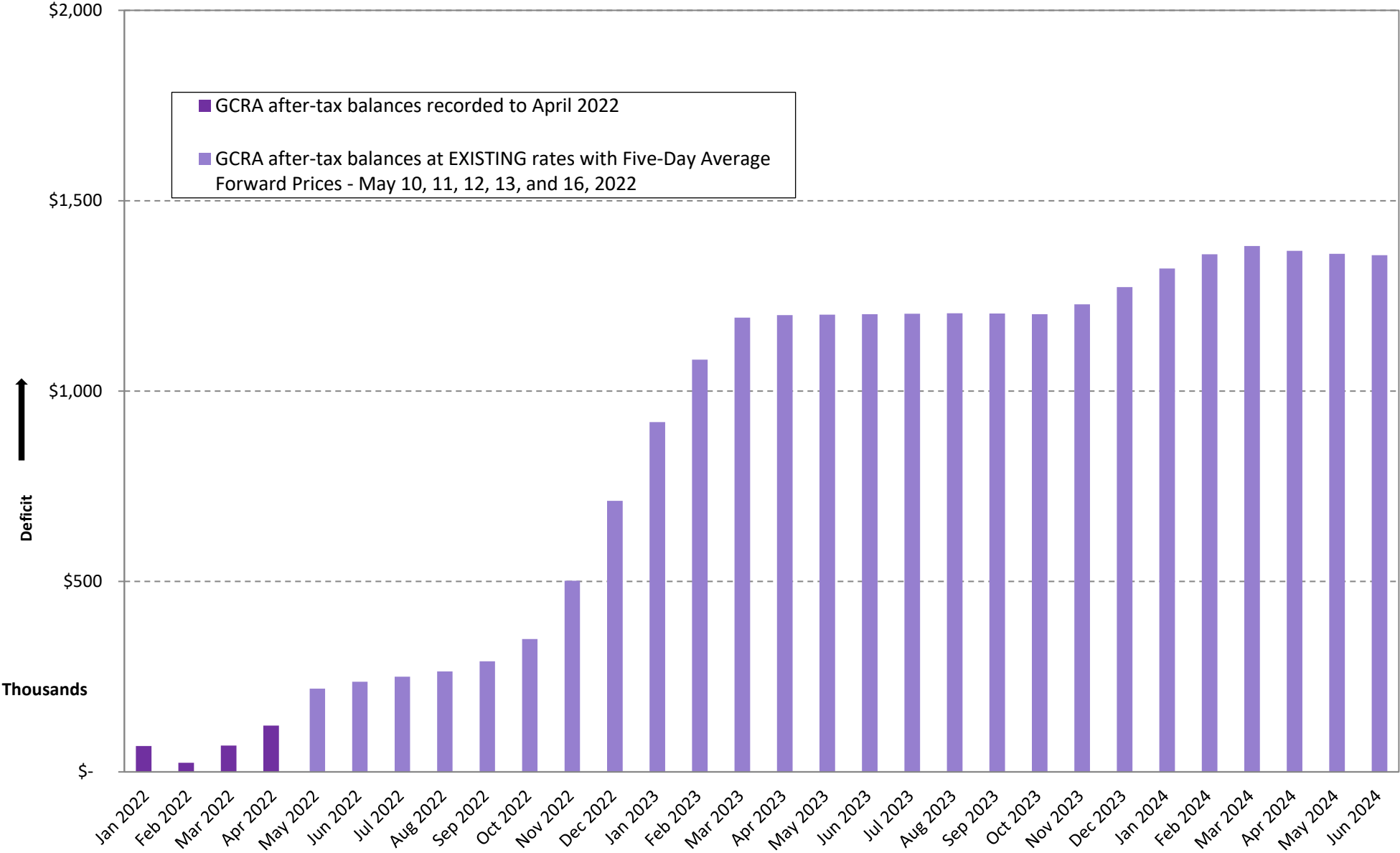
(a) Recorded monthly price reflects the average booked cost for the month.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA AFTER-TAX BALANCES AT EXISTING RECOVERY RATES
FOR FORECAST PERIOD ENDING JUN 2024
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022
(\$000)

Tab 1
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Line No	Particulars		Five-day Average Forward Prices - May 10, 11, 12, 13, and 16, 2022		Five-day Average Forward Prices - Feb 14, 15, 16, 17, and 18, 2022	
			2022 Q2 Gas Cost Report		2022 Q1 Gas Cost Report	
		(1)		(2)		(3)
1	2022	January		\$ 67.8	Recorded	\$ 67.8
2		February		\$ 23.9	Forecast	\$ (9.2)
3		March		\$ 69.0		\$ (9.1)
4		April		\$ 121.7		\$ (9.6)
5		May		\$ 218.7		\$ (10.1)
6		June		\$ 236.7		\$ (9.7)
7		July		\$ 250.1		\$ (8.8)
8		August		\$ 263.8		\$ (10.1)
9		September		\$ 290.7		\$ (13.7)
10		October		\$ 349.1		\$ (21.5)
11		November		\$ 501.9		\$ (4.9)
12		December		\$ 711.6		\$ 22.2
13	2023	January		\$ 918.8		\$ 50.0
14		February		\$ 1,082.3		\$ 70.6
15		March		\$ 1,193.0		\$ 76.8
16		April		\$ 1,199.7		\$ 55.6
17		May		\$ 1,200.5		\$ 41.8
18		June		\$ 1,202.0		\$ 35.7
19		July		\$ 1,203.3		\$ 32.2
20		August		\$ 1,204.5		\$ 27.5
21		September		\$ 1,203.9		\$ 17.0
22		October		\$ 1,202.2		\$ (5.4)
23		November		\$ 1,228.0		\$ (29.0)
24		December		\$ 1,273.3		\$ (52.4)
25	2024	January		\$ 1,321.7		\$ (71.7)
26		February		\$ 1,359.3		\$ (88.4)
27		March		\$ 1,380.9		\$ (110.2)
28		April		\$ 1,368.7		
29		May		\$ 1,360.5		
30		June		\$ 1,357.0		

FortisBC Energy Inc. - Fort Nelson Service Areas
GCRA After-Tax Monthly Balances
Recorded to April 2022 and Forecast to June 2024



FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA MONTHLY BALANCES AND ACTIVITIES AT TESTED COMMODITY COST RECOVERY CHARGE AND APPROVED STORAGE AND TRANSPORT RATES
RECORDED PERIOD TO APR 2022 AND FORECAST TO JUN 2022
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Tab 2
Page 1

Line No.	Particulars		Recorded Jan-22	Recorded Feb-22	Recorded Mar-22	Recorded Apr-22	Projected May-22	Projected Jun-22	(8)	(9)	(10)	(11)	(12)	(13)	Jan-22 to Jun-22
	(1)		(2)	(3)	(4)	(5)	(6)	(7)							(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$	\$ 61,508	\$ 92,814	\$ 32,774	\$ 94,468	\$ 166,702	\$ 299,598							\$ 61,508
2															
3	2022 GCRA Activities														
4	<u>Commodity Costs Incurred</u>														
5	Commodity Purchases ^(b)	GJ	94,400	86,000	62,400	47,200	18,281	9,187							317,468
6	Average Unit Cost of Gas Purchased	\$/GJ	\$ 3.778	\$ 4.282	\$ 4.404	\$ 6.428	\$ 5.408	\$ 6.429							\$ 4.621
7	(Line 8 / Line 5)														
8	Total Purchase Costs	\$	\$ 356,659	\$ 368,227	\$ 274,802	\$ 303,387	\$ 98,875	\$ 59,058							\$ 1,461,007
9	Imbalance Gas ^(c)		11,850	(21,618)	3,697	(16,654)	34,710	-							11,985
10	Company Use Gas Recovered from O&M		(1,538)	(754)	(1,241)	(910)	(1,055)	(354)							(5,851)
11	Commodity Related Costs Total (Lines 8, 9 & 10)	\$	\$ 366,971	\$ 345,855	\$ 277,258	\$ 285,823	\$ 132,529	\$ 58,704							\$ 1,467,141
12															
13	<u>Commodity Costs Recoveries</u>														
14	Sales Rate Classes Recovered	GJ	167,119	202,112	107,797	106,781	17,784	8,979							610,573
15	Adjust Sales Under / (Over) Accrual ^(d)	GJ	-	-	-	-	(17,663)	-							(17,663)
16	Recovery @ Approved Commodity Cost Recovery Rate	\$	\$ (331,232)	\$ (400,318)	\$ (213,524)	\$ (211,639)	\$ (479)	\$ (35,593)							\$ (1,192,785)
17	T-Service Balancing Gas		-	-	-	-	-	-							-
18	T-Service UAF Recovered ^(e)		-	-	-	-	-	-							-
19	Commodity Related Recovery Total (Lines 16, 17 & 18)	\$	\$ (331,232)	\$ (400,318)	\$ (213,524)	\$ (211,639)	\$ (479)	\$ (35,593)							\$ (1,192,785)
20	Total Commodity Related Activities (Lines 11 & 19)	\$	\$ 35,739	\$ (54,463)	\$ 63,735	\$ 74,184	\$ 132,051	\$ 23,111							\$ 274,356
21															
22															
23	<u>Storage and Transport Costs and Recoveries</u>														
24	Transportation Costs Incurred	\$	\$ 2,340	\$ 2,305	\$ 2,308	\$ 2,277	\$ 2,266	\$ 2,266							\$ 13,761
25	Recovery @ Approved Storage & Transport Rates		(6,773)	(7,882)	(4,348)	(4,227)	(1,421)	(713)							(25,364)
26															
27	Total Storage and Transport Related Activities (Lines 24 & 25)	\$	\$ (4,433)	\$ (5,577)	\$ (2,040)	\$ (1,950)	\$ 845	\$ 1,553							\$ (11,603)
28															
29	GCRA Balance - Ending (Pre-tax) (Lines 1, 20 & 27)	\$	\$ 92,814	\$ 32,774	\$ 94,468	\$ 166,702	\$ 299,598	\$ 324,261							\$ 324,261
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)	\$	\$ 67,754	\$ 23,925	\$ 68,962	\$ 121,693	\$ 218,706	\$ 236,711							\$ 236,711

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 TESTED COMMODITY COST RECOVERY CHARGE AND APPROVED STORAGE AND TRANSPORT RATES
FORECAST PERIOD FROM JUL 2022 TO JUN 2023
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Tab 2
Page 2

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)	\$	\$ 324,262	\$ 320,936	\$ 312,362	\$ 292,715	\$ 247,012	\$ 229,877	\$ 228,035	\$ 229,788	\$ 228,631	\$ 182,994	\$ 82,295	\$ 22,074	\$ 324,262
2															
3	GCRA Activities														
4	<u>Commodity Costs Incurred</u>														
5	Commodity Purchases ^(b)	GJ	6,185	7,786	16,006	35,589	64,366	82,164	80,137	64,018	56,076	31,274	17,546	8,801	469,948
6	Average Unit Cost of Gas Purchased	\$/GJ	\$ 6.598	\$ 6.112	\$ 6.137	\$ 6.162	\$ 7.208	\$ 7.461	\$ 7.505	\$ 7.457	\$ 6.653	\$ 4.199	\$ 3.910	\$ 3.953	\$ 6.744
7	(Line 8 / Line 5)														
8	Total Purchase Costs	\$	\$ 40,809	\$ 47,592	\$ 98,228	\$ 219,296	\$ 463,973	\$ 613,003	\$ 601,413	\$ 477,413	\$ 373,064	\$ 131,331	\$ 68,607	\$ 34,789	\$ 3,169,519
9	Imbalance Gas ^(c)		-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M		(363)	(208)	(331)	(216)	(2,199)	(2,731)	(2,364)	(2,461)	(1,863)	(777)	(762)	(217)	(14,492)
11	Commodity Related Costs Total	\$	\$ 40,447	\$ 47,384	\$ 97,896	\$ 219,080	\$ 461,774	\$ 610,273	\$ 599,049	\$ 474,952	\$ 371,202	\$ 130,554	\$ 67,845	\$ 34,572	\$ 3,155,028
12															
13	<u>Commodity Costs Recoveries</u>														
14	Sales Rate Classes Recovered	GJ	6,028	7,623	15,685	34,960	62,990	80,430	78,488	62,623	54,863	30,569	17,061	8,600	459,920
15	Recovery @ Tested Commodity Cost Recovery Rate \$7.559/GJ	\$	\$ (45,562)	\$ (57,621)	\$ (118,566)	\$ (264,261)	\$ (476,143)	\$ (607,972)	\$ (593,287)	\$ (473,369)	\$ (414,709)	\$ (231,074)	\$ (128,967)	\$ (65,006)	\$ (3,476,538)
16	T-Service Balancing Gas		-	-	-	-	-	-	-	-	-	-	-	-	-
17	T-Service UAF Recovered ^(d)		-	-	-	-	-	-	-	-	-	-	-	-	-
18	Commodity Related Recovery Total (Lines 15, 16 & 17)	\$	\$ (45,562)	\$ (57,621)	\$ (118,566)	\$ (264,261)	\$ (476,143)	\$ (607,972)	\$ (593,287)	\$ (473,369)	\$ (414,709)	\$ (231,074)	\$ (128,967)	\$ (65,006)	\$ (3,476,538)
19	Total Commodity Related Activities (Lines 11 & 18)	\$	\$ (5,115)	\$ (10,237)	\$ (20,669)	\$ (45,181)	\$ (14,369)	\$ 2,300	\$ 5,762	\$ 1,582	\$ (43,508)	\$ (100,520)	\$ (61,122)	\$ (30,434)	\$ (321,510)
20															
21															
22	<u>Storage and Transport Costs and Recoveries</u>														
23	Transportation Costs Incurred ^(e)	\$	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 27,191
24	Recovery @ APPROVED Storage & Transport Rates		(476)	(603)	(1,243)	(2,789)	(5,032)	(6,409)	(6,274)	(5,005)	(4,395)	(2,445)	(1,365)	(684)	(36,721)
25	^(f)														
26	Total Storage and Transport Related Activities (Lines 23 & 24)	\$	\$ 1,790	\$ 1,663	\$ 1,022	\$ (523)	\$ (2,766)	\$ (4,143)	\$ (4,008)	\$ (2,739)	\$ (2,129)	\$ (180)	\$ 901	\$ 1,582	\$ (9,530)
27															
28	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 26)	\$	\$ 320,936	\$ 312,362	\$ 292,715	\$ 247,012	\$ 229,877	\$ 228,035	\$ 229,788	\$ 228,631	\$ 182,994	\$ 82,295	\$ 22,074	\$ (6,778)	\$ (6,778)
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)	\$	\$ 234,283	\$ 228,025	\$ 213,682	\$ 180,319	\$ 167,810	\$ 166,465	\$ 167,745	\$ 166,901	\$ 133,586	\$ 60,075	\$ 16,114	\$ (4,948)	\$ (4,948)

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) Transportation Costs Incurred forecast higher than 2021. The 2022 forecast based on current Enbridge T-North short haul toll projections.
- (f) Total Storage and Transport Related Activities at Line 26 comprise \$2,956 surplus imbalance for the Apr to Dec 2022 forecast period, and \$6,574 surplus imbalance for the Jan to Mar 2023 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 TESTED COMMODITY COST RECOVERY CHARGE AND APPROVED STORAGE AND TRANSPORT RATES
FORECAST PERIOD FROM JUL 2023 TO JUN 2024
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Tab 2
Page 3

Line No.	Particulars	Forecast Jul-23	Forecast Aug-23	Forecast Sep-23	Forecast Oct-23	Forecast Nov-23	Forecast Dec-23	Forecast Jan-24	Forecast Feb-24	Forecast Mar-24	Forecast Apr-24	Forecast May-24	Forecast Jun-24	Jul-23 to Jun-24
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)	\$ (6,778)	\$ (25,719)	\$ (50,292)	\$ (105,071)	\$ (227,836)	\$ (409,411)	\$ (623,759)	\$ (829,789)	\$ (995,488)	\$ (1,156,336)	\$ (1,279,276)	\$ (1,349,699)	\$ (6,778)
2														
3	GCRA Activities													
4	<u>Commodity Costs Incurred</u>													
5	Commodity Purchases ^(b)	GJ 5,917	7,443	15,303	34,096	61,672	78,562	77,363	61,774	54,172	30,208	16,965	8,486	451,962
6	Average Unit Cost of Gas Purchased	\$/GJ \$ 3.893	\$ 3.888	\$ 3.770	\$ 3.840	\$ 4.516	\$ 4.741	\$ 4.808	\$ 4.778	\$ 4.485	\$ 3.341	\$ 3.177	\$ 3.127	\$ 4.387
7	(Line 8 / Line 5)													
8	Total Purchase Costs	\$ \$ 23,032	\$ 28,940	\$ 57,693	\$ 130,943	\$ 278,484	\$ 372,459	\$ 371,955	\$ 295,137	\$ 242,958	\$ 100,924	\$ 53,899	\$ 26,535	\$ 1,982,959
9	Imbalance Gas ^(c)	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M	(214)	(132)	(204)	(134)	(1,377)	(1,735)	(1,514)	(1,577)	(1,256)	(618)	(620)	(172)	(9,553)
11	Commodity Related Costs Total	\$ 22,817	\$ 28,808	\$ 57,490	\$ 130,809	\$ 277,107	\$ 370,724	\$ 370,441	\$ 293,560	\$ 241,702	\$ 100,306	\$ 53,279	\$ 26,363	\$ 1,973,406
12														
13	<u>Commodity Costs Recoveries</u>													
14	Sales Rate Classes Recovered	GJ 5,764	7,285	14,995	33,492	60,341	76,889	75,760	60,417	52,992	29,521	16,490	8,290	442,235
15	Recovery @ Tested Commodity Cost Recovery Rate \$7.559/GJ	\$ \$ (43,568)	\$ (55,070)	\$ (113,344)	\$ (253,165)	\$ (456,121)	\$ (581,202)	\$ (572,672)	\$ (456,689)	\$ (400,564)	\$ (223,147)	\$ (124,647)	\$ (62,662)	\$ (3,342,851)
16	T-Service Balancing Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
17	T-Service UAF Recovered ^(d)	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Commodity Related Recovery Total (Lines 15, 16 & 17)	\$ (43,568)	\$ (55,070)	\$ (113,344)	\$ (253,165)	\$ (456,121)	\$ (581,202)	\$ (572,672)	\$ (456,689)	\$ (400,564)	\$ (223,147)	\$ (124,647)	\$ (62,662)	\$ (3,342,851)
19	Total Commodity Related Activities (Lines 11 & 18)	\$ (20,750)	\$ (26,262)	\$ (55,854)	\$ (122,356)	\$ (179,014)	\$ (210,478)	\$ (202,231)	\$ (163,129)	\$ (158,862)	\$ (122,841)	\$ (71,367)	\$ (36,300)	\$ (1,369,445)
20														
21														
22	<u>Storage and Transport Costs and Recoveries</u>													
23	Transportation Costs Incurred	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 27,191
24														
25	Recovery @ APPROVED Storage & Transport Rates	(456)	(577)	(1,191)	(2,675)	(4,827)	(6,136)	(6,065)	(4,836)	(4,251)	(2,365)	(1,321)	(660)	(35,361)
26	Total Storage and Transport Related Activities (Lines 23 & 24)	\$ 1,810	\$ 1,689	\$ 1,075	\$ (409)	\$ (2,561)	\$ (3,870)	\$ (3,799)	\$ (2,570)	\$ (1,985)	\$ (99)	\$ 945	\$ 1,606	\$ (8,169)
27														
28	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 26)	\$ (25,719)	\$ (50,292)	\$ (105,071)	\$ (227,836)	\$ (409,411)	\$ (623,759)	\$ (829,789)	\$ (995,488)	\$ (1,156,336)	\$ (1,279,276)	\$ (1,349,699)	\$ (1,384,393)	\$ (1,384,393)
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)	\$ (18,775)	\$ (36,713)	\$ (76,702)	\$ (166,320)	\$ (298,870)	\$ (455,344)	\$ (605,746)	\$ (726,707)	\$ (844,125)	\$ (933,871)	\$ (985,280)	\$ (1,010,607)	\$ (1,010,607)

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.

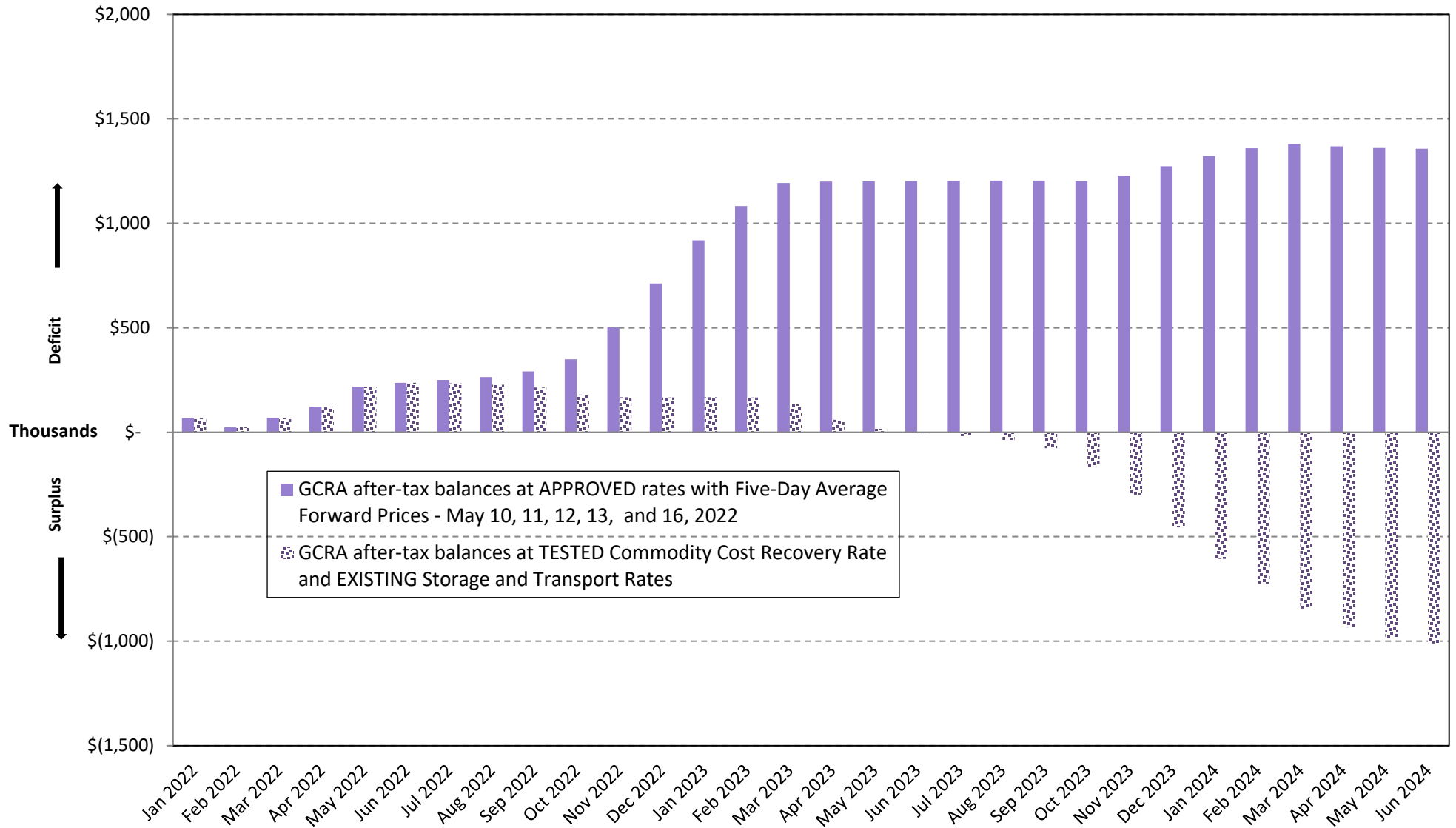
Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA AFTER-TAX BALANCES
FOR FORECAST PERIOD ENDING JUN 2024
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022
(\$000)

Tab 2
Page 4

Line No	Particulars		2022 Q2 Gas Cost Report		2022 Q2 Gas Cost Report	
			Tested Commodity Rates @ \$7.559/GJ		Existing Rates	
		(1)		(2)		(3)
1	2022	January		\$ 67.8		\$ 67.8
2		February		\$ 23.9		\$ 23.9
3		March		\$ 69.0		\$ 69.0
4		April	Recorded	\$ 121.7	Recorded	\$ 121.7
5		May	Forecast	\$ 218.7	Forecast	\$ 218.7
6		June		\$ 236.7		\$ 236.7
7		July		\$ 234.3		\$ 250.1
8		August		\$ 228.0		\$ 263.8
9		September		\$ 213.7		\$ 290.7
10		October		\$ 180.3		\$ 349.1
11		November		\$ 167.8		\$ 501.9
12		December		\$ 166.5		\$ 711.6
13	2023	January		\$ 167.7		\$ 918.8
14		February		\$ 166.9		\$ 1,082.3
15		March		\$ 133.6		\$ 1,193.0
16		April		\$ 60.1		\$ 1,199.7
17		May		\$ 16.1		\$ 1,200.5
18		June		\$ (4.9)		\$ 1,202.0
19		July		\$ (18.8)		\$ 1,203.3
20		August		\$ (36.7)		\$ 1,204.5
21		September		\$ (76.7)		\$ 1,203.9
22		October		\$ (166.3)		\$ 1,202.2
23		November		\$ (298.9)		\$ 1,228.0
24		December		\$ (455.3)		\$ 1,273.3
25	2024	January		\$ (605.7)		\$ 1,321.7
26		February		\$ (726.7)		\$ 1,359.3
27		March		\$ (844.1)		\$ 1,380.9
28		April		\$ (933.9)		\$ 1,368.7
29		May		\$ (985.3)		\$ 1,360.5
30		June		\$ (1,010.6)		\$ 1,357.0

FortisBC Energy Inc. - Fort Nelson Service Areas
 GCRA After-Tax Monthly Balances
 Recorded to April 2022 and Forecast to June 2024



FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
TESTED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

TAB 4
PAGE 1
SCHEDULE 1

RATE SCHEDULE 1: RESIDENTIAL SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	TESTED JULY 1, 2022 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$0.3701	\$0.0000	\$0.3701
3				
4	Delivery Charge per GJ	\$4.296	\$0.000	\$4.296
5	Rider 5 RSAM per GJ	(\$0.416)	\$0.000	(\$0.416)
6	Subtotal Delivery Margin Related Charges per GJ	\$3.880	\$0.000	\$3.880
7				
8				
9	<u>Commodity Related Charges</u>			
10	Storage and Transport Charge per GJ	\$0.081	\$0.000	\$0.081
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$3.595	\$7.559
12	Subtotal of Commodity Related Charges per GJ	\$4.045	\$3.595	\$7.640

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
TESTED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

TAB 4
PAGE 2
SCHEDULE 2

RATE SCHEDULE 2: SMALL COMMERCIAL SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	TESTED JULY 1, 2022 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$1.2151	\$0.0000	\$1.2151
3				
4	Delivery Charge per GJ	\$4.654	\$0.000	\$4.654
5	Rider 5 RSAM per GJ	(\$0.416)	\$0.000	(\$0.416)
6	Subtotal Delivery Margin Related Charges per GJ	\$4.238	\$0.000	\$4.238
7				
8				
9	<u>Commodity Related Charges</u>			
10	Storage and Transport Charge per GJ	\$0.083	\$0.000	\$0.083
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$3.595	\$7.559
12	Subtotal of Commodity Related Charges per GJ	\$4.047	\$3.595	\$7.642

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
TESTED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

TAB 4
PAGE 3
SCHEDULE 3

RATE SCHEDULE 3: LARGE COMMERCIAL SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	TESTED JULY 1, 2022 RATES
Line No.	Particulars (1)	Fort Nelson (2)	Fort Nelson (3)	Fort Nelson (4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$3.6845	\$0.0000	\$3.6845
3				
4	Delivery Charge per GJ	\$3.970	\$0.000	\$3.970
5	Rider 5 RSAM per GJ	(\$0.416)	\$0.000	(\$0.416)
6	Subtotal Delivery Margin Related Charges per GJ	\$3.554	\$0.000	\$3.554
7				
8				
9	<u>Commodity Related Charges</u>			
10	Storage and Transport Charge per GJ	\$0.071	\$0.000	\$0.071
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$3.595	\$7.559
12	Subtotal of Commodity Related Charges per GJ	\$4.035	\$3.595	\$7.630

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
TESTED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

TAB 4
PAGE 4
SCHEDULE 5

RATE SCHEDULE 5 GENERAL FIRM SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	TESTED JULY 1, 2022 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Month	\$600.00	\$0.00	\$600.00
3				
4	Demand Charge per Month per GJ	\$35.892	\$0.000	\$35.892
5				
6	Delivery Charge per GJ	\$1.189	\$0.000	\$1.189
7	Subtotal Delivery Margin Related Charges per GJ	\$1.189	\$0.000	\$1.189
8				
9	<u>Commodity Related Charges</u>			
10	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$3.595	\$7.559
11	Storage and Transport Charge per GJ	\$0.049	\$0.000	\$0.049
12	Subtotal of Commodity Related Charges per GJ	\$4.013	\$3.595	\$7.608
13				
14				
15				
16				
17	Total Variable Cost per gigajoule	\$5.202	\$3.595	\$8.797

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
TESTED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

TAB 4
PAGE 5
SCHEDULE 6

RATE SCHEDULE 6: NATURAL GAS VEHICLE SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	TESTED JULY 1, 2022 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$2.0041	\$0.0000	\$2.0041
3	Delivery Charge per GJ	\$3.206	\$0.000	\$3.206
4				
5				
6	<u>Commodity Related Charges</u>			
7	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$3.595	\$7.559
8	Storage and Transport Charge per GJ	\$0.025	\$0.000	\$0.025
9	Subtotal of Commodity Related Charges per GJ	\$3.989	\$3.595	\$7.584
10				
11				
12				
13				
14	Total Variable Cost per gigajoule	\$7.195	\$3.595	\$10.790

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
COMMODITY RELATED CHARGES CHANGES
BCUC ORDERS G-XX-22
RATE SCHEDULE 1 - RESIDENTIAL SERVICE

Line No.	Particular	EXISTING RATES JANUARY 1, 2022				TESTED JULY 1, 2022 RATES				Annual Increase/Decrease		
		Quantity		Rate	Annual \$	Quantity		Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA											
2	<u>Delivery Margin Related Charges</u>											
3	Basic Charge per Day	365.25	days x	\$0.3701	= \$135.18	365.25	days x	\$0.3701	= \$135.18	\$0.0000	\$0.00	0.00%
4												
5	Delivery Charge per GJ	125.0	GJ x	\$4.296	= 537.0000	125.0	GJ x	\$4.296	= 537.0000	\$0.000	0.0000	0.00%
6	Rider 5 RSAM per GJ	125.0	GJ x	(\$0.416)	= (52.0000)	125.0	GJ x	(\$0.416)	= (52.0000)	\$0.000	0.0000	0.00%
7	Subtotal Delivery Margin Related Charges				\$620.18				\$620.18		\$0.00	0.00%
8												
9	<u>Commodity Related Charges</u>											
10	Storage and Transport Charge per GJ	125.0	GJ x	\$0.081	= \$10.13	125.0	GJ x	\$0.081	= \$10.13	\$0.000	\$0.00	0.00%
11												
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	125.0	GJ x	\$3.964	= \$495.50	125.0	GJ x	\$7.559	= \$944.88	\$3.595	\$449.38	39.92%
13	Subtotal Commodity Related Charges				\$505.63				\$955.01		\$449.38	39.92%
14												
15	Total (with effective \$/GJ rate)	125.0		\$9.006	\$1,125.81	125.0		\$12.602	\$1,575.19	\$3.595	\$449.38	39.92%

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

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
COMMODITY RELATED CHARGES CHANGES
BCUC ORDERS G-XX-22

TAB 5
PAGE 2

RATE SCHEDULE 2 - SMALL COMMERCIAL SERVICE

Line No.	Particular	EXISTING RATES JANUARY 1, 2022					TESTED JULY 1, 2022 RATES					Annual Increase/Decrease		
		Quantity		Rate		Annual \$	Quantity		Rate		Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA													
2	<u>Delivery Margin Related Charges</u>													
3	Basic Charge per Day	365.25	days x	\$1.2151	=	\$443.82	365.25	days x	\$1.2151	=	\$443.82	\$0.0000	\$0.00	0.00%
4														
5	Delivery Charge per GJ	335.0	GJ x	\$4.654	=	1,559.0900	335.0	GJ x	\$4.654	=	1,559.0900	\$0.000	0.0000	0.00%
6	Rider 5 RSAM per GJ	335.0	GJ x	(\$0.416)	=	(139.3600)	335.0	GJ x	(\$0.416)	=	(139.3600)	\$0.000	0.0000	0.00%
7	Subtotal Delivery Margin Related Charges					\$1,863.55					\$1,863.55		\$0.00	0.00%
8														
9	<u>Commodity Related Charges</u>													
10	Storage and Transport Charge per GJ	335.0	GJ x	\$0.083	=	\$27.81	335.0	GJ x	\$0.083	=	\$27.81	\$0.000	\$0.00	0.00%
11														
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	335.0	GJ x	\$3.964	=	\$1,327.94	335.0	GJ x	\$7.559	=	\$2,532.27	\$3.595	\$1,204.33	37.41%
13	Subtotal Commodity Related Charges					\$1,355.75					\$2,560.08		\$1,204.33	37.41%
14														
15	Total (with effective \$/GJ rate)	335.0		\$9.610		\$3,219.30	335.0		\$13.205		\$4,423.63	\$3.595	\$1,204.33	37.41%

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

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
COMMODITY RELATED CHARGES CHANGES
BCUC ORDERS G-XX-22

TAB 5
PAGE 3

RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE

Line No.	Particular	EXISTING RATES JANUARY 1, 2022					TESTED JULY 1, 2022 RATES					Annual Increase/Decrease		
		Quantity		Rate		Annual \$	Quantity		Rate		Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA													
2	<u>Delivery Margin Related Charges</u>													
3	Basic Charge per Day	365.25	days x	\$3.6845	=	\$1,345.76	365.25	days x	\$3.6845	=	\$1,345.76	\$0.0000	\$0.00	0.00%
4														
5	Delivery Charge per GJ	6,375.0	GJ x	\$3.970	=	25,308.7500	6,375.0	GJ x	\$3.970	=	25,308.7500	\$0.000	0.0000	0.00%
6	Rider 5 RSAM per GJ	6,375.0	GJ x	(\$0.416)	=	(2,652.0000)	6,375.0	GJ x	(\$0.416)	=	(2,652.0000)	\$0.000	0.0000	0.00%
7	Subtotal Delivery Margin Related Charges					\$24,002.51					\$24,002.51		\$0.00	0.00%
8														
9	<u>Commodity Related Charges</u>													
10	Storage and Transport Charge per GJ	6,375.0	GJ x	\$0.071	=	\$452.63	6,375.0	GJ x	\$0.071	=	\$452.63	\$0.000	\$0.00	0.00%
11														
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	6,375.0	GJ x	\$3.964	=	\$25,270.50	6,375.0	GJ x	\$7.559	=	\$48,188.63	\$3.595	\$22,918.13	46.09%
13	Subtotal Commodity Related Charges					\$25,723.13					\$48,641.26		\$22,918.13	46.09%
14														
15	Total (with effective \$/GJ rate)	<u>6,375.0</u>		<u>\$7.800</u>		\$49,725.64	<u>6,375.0</u>		<u>\$11.395</u>		\$72,643.77	<u>\$3.595</u>	\$22,918.13	46.09%

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

Alternative A

Use a 24-month prospective rate setting period

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 2022 TO JUN 2024
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Alternative A
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, 2022	\$ 324.3				(Tab 1, Page 3, Col 14, Line 1)
4	Forecast Total Commodity Related Costs - Jul 2022 to Jun 2024	\$ 5,128.4				(Tab 1, Page 3 & Page 4, Col 14, Line 11)
5	Forecast Storage and Transport Related Activities Imbalance at 2022 Flow Through Rates - Jul to Dec 2022	\$ (3.0)				(Tab 1, Page 3, Line 26 notes)
6	Forecast Recovery at Existing Commodity Cost Recovery Charge - Jul 2022 to Jun 2024	\$ 3,576.1				(Tab 1, Page 3 & Page 4, Col 14, Line 18)
7						
8						
9	Trigger = $\frac{\text{Forecast Recovery at Existing Cost of Gas Recovery Rate (Line 6)}}{\text{Projected GCRA Balance (Line 3) + Forecast Commodity Related Costs (Line 4) + Forecast Storage and Transport Related Activities Imbalance (Line 5)}}$	\$ 3,576.1				
10	Ratio =	\$ 5,449.7				
11						
12						
13						
14	<u>Existing Commodity Cost Recovery Charge, effective October 1, 2021</u>				<u>\$ 3.964</u>	
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 2022 to Jun 2024		902.2			(Tab 1, Page 3 & Page 4, Col 14, Line 14)
22	(a)					
23	Projected Pre-Tax GCRA Balance at Jul 1, 2022	\$ 324.3			\$ 0.3594 (b)	
24	Forecast 24-month GCRA Activities - Jul 2022 to Jun 2024	1,549.3			1.7174 (b)	
25	(Over) / Under Recovery at Existing Commodity Cost Recovery Charge	<u>\$ 1,873.6</u>				(Line 3 + Line 4 + Line 5 - Line 6)
26						
27	Proposed Commodity Cost Recovery Charge (Decrease) / Increase				<u>\$ 2.077</u> (b)	Exceeds 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 decimal places.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA MONTHLY BALANCES AND ACTIVITIES AT PROPOSED COMMODITY COST RECOVERY CHARGE AND APPROVED STORAGE AND TRANSPORT RATES
FORECAST PERIOD FROM JUL 2022 TO JUN 2023
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Alternative A
Tab 2
Page 2

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)	\$	\$ 324,262	\$ 330,086	\$ 333,084	\$ 337,247	\$ 344,613	\$ 423,097	\$ 543,348	\$ 664,245	\$ 758,150	\$ 795,795	\$ 741,500	\$ 707,178	\$ 324,262
2															
3	GCRA Activities														
4	<u>Commodity Costs Incurred</u>														
5	Commodity Purchases ^(b)	GJ	6,185	7,786	16,006	35,589	64,366	82,164	80,137	64,018	56,076	31,274	17,546	8,801	469,948
6	Average Unit Cost of Gas Purchased	\$/GJ	\$ 6.598	\$ 6.112	\$ 6.137	\$ 6.162	\$ 7.208	\$ 7.461	\$ 7.505	\$ 7.457	\$ 6.653	\$ 4.199	\$ 3.910	\$ 3.953	\$ 6.744
7	(Line 8 / Line 5)														
8	Total Purchase Costs	\$	\$ 40,809	\$ 47,592	\$ 98,228	\$ 219,296	\$ 463,973	\$ 613,003	\$ 601,413	\$ 477,413	\$ 373,064	\$ 131,331	\$ 68,607	\$ 34,789	\$ 3,169,519
9	Imbalance Gas ^(c)		-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M		(363)	(208)	(331)	(216)	(2,199)	(2,731)	(2,364)	(2,461)	(1,863)	(777)	(762)	(217)	(14,492)
11	Commodity Related Costs Total	\$	\$ 40,447	\$ 47,384	\$ 97,896	\$ 219,080	\$ 461,774	\$ 610,273	\$ 599,049	\$ 474,952	\$ 371,202	\$ 130,554	\$ 67,845	\$ 34,572	\$ 3,155,028
12															
13	<u>Commodity Costs Recoveries</u>														
14	Sales Rate Classes Recovered	GJ	6,028	7,623	15,685	34,960	62,990	80,430	78,488	62,623	54,863	30,569	17,061	8,600	459,920
15	Recovery @ Proposed Commodity Cost Recovery Rate \$6.041/GJ	\$	\$ (36,412)	\$ (46,050)	\$ (94,755)	\$ (211,192)	\$ (380,524)	\$ (485,879)	\$ (474,143)	\$ (378,307)	\$ (331,427)	\$ (184,670)	\$ (103,068)	\$ (51,951)	\$ (2,778,379)
16	T-Service Balancing Gas		-	-	-	-	-	-	-	-	-	-	-	-	-
17	T-Service UAF Recovered ^(d)		-	-	-	-	-	-	-	-	-	-	-	-	-
18	Commodity Related Recovery Total (Lines 15, 16 & 17)	\$	\$ (36,412)	\$ (46,050)	\$ (94,755)	\$ (211,192)	\$ (380,524)	\$ (485,879)	\$ (474,143)	\$ (378,307)	\$ (331,427)	\$ (184,670)	\$ (103,068)	\$ (51,951)	\$ (2,778,379)
19	Total Commodity Related Activities (Lines 11 & 18)	\$	\$ 4,034	\$ 1,335	\$ 3,141	\$ 7,888	\$ 81,250	\$ 124,393	\$ 124,906	\$ 96,645	\$ 39,774	\$ (54,115)	\$ (35,223)	\$ (17,379)	\$ 376,649
20															
21															
22	<u>Storage and Transport Costs and Recoveries</u>														
23	Transportation Costs Incurred ^(e)	\$	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 27,191
24	Recovery @ APPROVED Storage & Transport Rates		(476)	(603)	(1,243)	(2,789)	(5,032)	(6,409)	(6,274)	(5,005)	(4,395)	(2,445)	(1,365)	(684)	(36,721)
25	^(f)														
26	Total Storage and Transport Related Activities (Lines 23 & 24)	\$	\$ 1,790	\$ 1,663	\$ 1,022	\$ (523)	\$ (2,766)	\$ (4,143)	\$ (4,008)	\$ (2,739)	\$ (2,129)	\$ (180)	\$ 901	\$ 1,582	\$ (9,530)
27															
28	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 26)	\$	\$ 330,086	\$ 333,084	\$ 337,247	\$ 344,613	\$ 423,097	\$ 543,348	\$ 664,245	\$ 758,150	\$ 795,795	\$ 741,500	\$ 707,178	\$ 691,381	\$ 691,381
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)	\$	\$ 240,963	\$ 243,151	\$ 246,190	\$ 251,567	\$ 308,861	\$ 396,644	\$ 484,899	\$ 553,450	\$ 580,931	\$ 541,295	\$ 516,240	\$ 504,708	\$ 504,708

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) Transportation Costs Incurred forecast higher than 2021. The 2022 forecast based on current Enbridge T-North short haul toll projections.
- (f) Total Storage and Transport Related Activities at Line 26 comprise \$2,956 surplus imbalance for the Apr to Dec 2022 forecast period, and \$6,574 surplus imbalance for the Jan to Mar 2023 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 PROPOSED COMMODITY COST RECOVERY CHARGE AND APPROVED STORAGE AND TRANSPORT RATES
FORECAST PERIOD FROM JUL 2023 TO JUN 2024
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022

Alternative A

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Line No.	Particulars		Forecast Jul-23	Forecast Aug-23	Forecast Sep-23	Forecast Oct-23	Forecast Nov-23	Forecast Dec-23	Forecast Jan-24	Forecast Feb-24	Forecast Mar-24	Forecast Apr-24	Forecast May-24	Forecast Jun-24	Jul-23 to Jun-24
	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	GCRA Balance - Beginning (Pre-tax) ^(a)		\$ 691,381	\$ 681,190	\$ 667,676	\$ 635,658	\$ 563,734	\$ 473,757	\$ 376,127	\$ 285,101	\$ 211,113	\$ 130,708	\$ 52,580	\$ 7,189	\$ 691,381
2		\$													
3	GCRA Activities														
4	<u>Commodity Costs Incurred</u>														
5	Commodity Purchases ^(b)	GJ	5,917	7,443	15,303	34,096	61,672	78,562	77,363	61,774	54,172	30,208	16,965	8,486	451,962
6	Average Unit Cost of Gas Purchased	\$/GJ	\$ 3.893	\$ 3.888	\$ 3.770	\$ 3.840	\$ 4.516	\$ 4.741	\$ 4.808	\$ 4.778	\$ 4.485	\$ 3.341	\$ 3.177	\$ 3.127	\$ 4.387
7	(Line 8 / Line 5)														
8	Total Purchase Costs	\$	\$ 23,032	\$ 28,940	\$ 57,693	\$ 130,943	\$ 278,484	\$ 372,459	\$ 371,955	\$ 295,137	\$ 242,958	\$ 100,924	\$ 53,899	\$ 26,535	\$ 1,982,959
9	Imbalance Gas ^(c)		-	-	-	-	-	-	-	-	-	-	-	-	-
10	Company Use Gas Recovered from O&M		(214)	(132)	(204)	(134)	(1,377)	(1,735)	(1,514)	(1,577)	(1,256)	(618)	(620)	(172)	(9,553)
11	Commodity Related Costs Total		\$ 22,817	\$ 28,808	\$ 57,490	\$ 130,809	\$ 277,107	\$ 370,724	\$ 370,441	\$ 293,560	\$ 241,702	\$ 100,306	\$ 53,279	\$ 26,363	\$ 1,973,406
12															
13	<u>Commodity Costs Recoveries</u>														
14	Sales Rate Classes Recovered	GJ	5,764	7,285	14,995	33,492	60,341	76,889	75,760	60,417	52,992	29,521	16,490	8,290	442,235
15	Recovery @ Proposed Commodity Cost Recovery Rate \$6.041/GJ	\$	\$ (34,819)	\$ (44,011)	\$ (90,582)	\$ (202,324)	\$ (364,523)	\$ (464,485)	\$ (457,668)	\$ (364,977)	\$ (320,122)	\$ (178,335)	\$ (99,615)	\$ (50,078)	\$ (2,671,539)
16	T-Service Balancing Gas		-	-	-	-	-	-	-	-	-	-	-	-	-
17	T-Service UAF Recovered ^(d)		-	-	-	-	-	-	-	-	-	-	-	-	-
18	Commodity Related Recovery Total (Lines 15, 16 & 17)		\$ (34,819)	\$ (44,011)	\$ (90,582)	\$ (202,324)	\$ (364,523)	\$ (464,485)	\$ (457,668)	\$ (364,977)	\$ (320,122)	\$ (178,335)	\$ (99,615)	\$ (50,078)	\$ (2,671,539)
19	Total Commodity Related Activities (Lines 11 & 18)		\$ (12,001)	\$ (15,203)	\$ (33,093)	\$ (71,516)	\$ (87,416)	\$ (93,761)	\$ (87,227)	\$ (71,417)	\$ (78,420)	\$ (78,029)	\$ (46,336)	\$ (23,716)	\$ (698,133)
20															
21															
22	<u>Storage and Transport Costs and Recoveries</u>														
23	Transportation Costs Incurred		\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 27,191
24															
25	Recovery @ APPROVED Storage & Transport Rates		(456)	(577)	(1,191)	(2,675)	(4,827)	(6,136)	(6,065)	(4,836)	(4,251)	(2,365)	(1,321)	(660)	(35,361)
26	Total Storage and Transport Related Activities (Lines 23 & 24)		\$ 1,810	\$ 1,689	\$ 1,075	\$ (409)	\$ (2,561)	\$ (3,870)	\$ (3,799)	\$ (2,570)	\$ (1,985)	\$ (99)	\$ 945	\$ 1,606	\$ (8,169)
27															
28	GCRA Balance - Ending (Pre-tax) (Lines 1, 19 & 26)		\$ 681,190	\$ 667,676	\$ 635,658	\$ 563,734	\$ 473,757	\$ 376,127	\$ 285,101	\$ 211,113	\$ 130,708	\$ 52,580	\$ 7,189	\$ (14,922)	\$ (14,922)
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)		\$ 497,268	\$ 487,403	\$ 464,031	\$ 411,526	\$ 345,843	\$ 274,572	\$ 208,124	\$ 154,113	\$ 95,417	\$ 38,383	\$ 5,248	\$ (10,893)	\$ (10,893)

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.

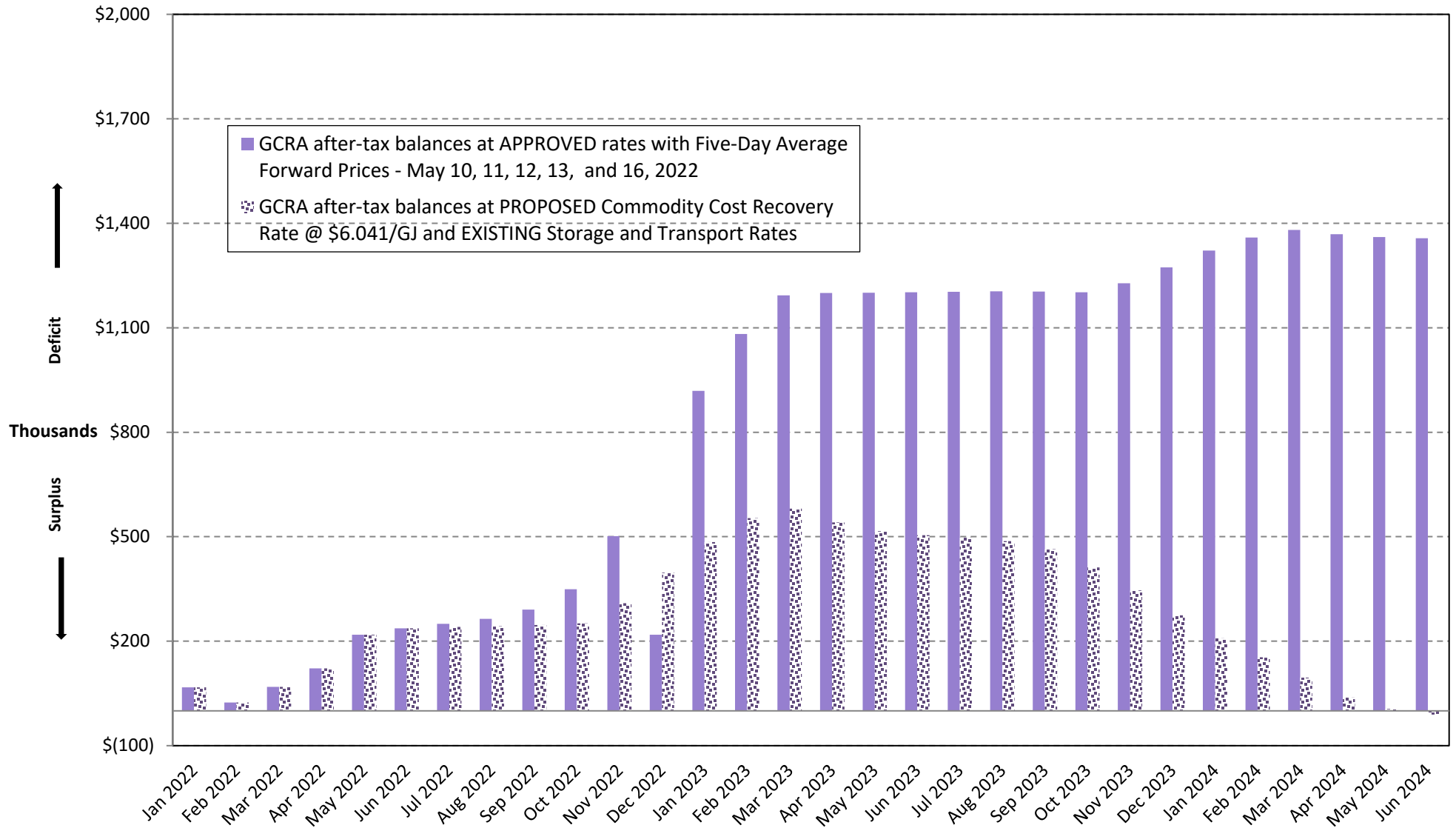
Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA AFTER-TAX BALANCES
FOR FORECAST PERIOD ENDING JUN 2024
FIVE-DAY AVERAGE FORWARD PRICES - MAY 10, 11, 12, 13, AND 16, 2022
(\$000)

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Line No	Particulars		2022 Q2 Gas Cost Report		2022 Q2 Gas Cost Report	
			Proposed Commodity Rates @ \$6.041/GJ		Existing Rates	
		(1)		(2)		(3)
1	2022	January		\$ 67.8		\$ 67.8
2		February		\$ 23.9		\$ 23.9
3		March		\$ 69.0		\$ 69.0
4		April		\$ 121.7		\$ 121.7
5		May		\$ 218.7		\$ 218.7
6		June		\$ 236.7		\$ 236.7
7		July		\$ 241.0		\$ 250.1
8		August		\$ 243.2		\$ 263.8
9		September		\$ 246.2		\$ 290.7
10		October		\$ 251.6		\$ 349.1
11		November		\$ 308.9		\$ 501.9
12		December		\$ 396.6		\$ 218.7
13	2023	January		\$ 484.9		\$ 918.8
14		February		\$ 553.4		\$ 1,082.3
15		March		\$ 580.9		\$ 1,193.0
16		April		\$ 541.3		\$ 1,199.7
17		May		\$ 516.2		\$ 1,200.5
18		June		\$ 504.7		\$ 1,202.0
19		July		\$ 497.3		\$ 1,203.3
20		August		\$ 487.4		\$ 1,204.5
21		September		\$ 464.0		\$ 1,203.9
22		October		\$ 411.5		\$ 1,202.2
23		November		\$ 345.8		\$ 1,228.0
24		December		\$ 274.6		\$ 1,273.3
25	2024	January		\$ 208.1		\$ 1,321.7
26		February		\$ 154.1		\$ 1,359.3
27		March		\$ 95.4		\$ 1,380.9
28		April		\$ 38.4		\$ 1,368.7
29		May		\$ 5.2		\$ 1,360.5
30		June		\$ (10.9)		\$ 1,357.0

FortisBC Energy Inc. - Fort Nelson Service Areas
 GCRA After-Tax Monthly Balances
 Recorded to April 2022 and Forecast to June 2024



FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

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SCHEDULE 1

RATE SCHEDULE 1: RESIDENTIAL SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2022 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$0.3701	\$0.0000	\$0.3701
3				
4	Delivery Charge per GJ	\$4.296	\$0.000	\$4.296
5	Rider 5 RSAM per GJ	(\$0.416)	\$0.000	(\$0.416)
6	Subtotal Delivery Margin Related Charges per GJ	\$3.880	\$0.000	\$3.880
7				
8				
9	<u>Commodity Related Charges</u>			
10	Storage and Transport Charge per GJ	\$0.081	\$0.000	\$0.081
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$2.077	\$6.041
12	Subtotal of Commodity Related Charges per GJ	\$4.045	\$2.077	\$6.122

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

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SCHEDULE 2

RATE SCHEDULE 2: SMALL COMMERCIAL SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2022 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$1.2151	\$0.0000	\$1.2151
3				
4	Delivery Charge per GJ	\$4.654	\$0.000	\$4.654
5	Rider 5 RSAM per GJ	(\$0.416)	\$0.000	(\$0.416)
6	Subtotal Delivery Margin Related Charges per GJ	\$4.238	\$0.000	\$4.238
7				
8				
9	<u>Commodity Related Charges</u>			
10	Storage and Transport Charge per GJ	\$0.083	\$0.000	\$0.083
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$2.077	\$6.041
12	Subtotal of Commodity Related Charges per GJ	\$4.047	\$2.077	\$6.124

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

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SCHEDULE 3

RATE SCHEDULE 3: LARGE COMMERCIAL SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2022 RATES
Line No.	Particulars (1)	Fort Nelson (2)	Fort Nelson (3)	Fort Nelson (4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$3.6845	\$0.0000	\$3.6845
3				
4	Delivery Charge per GJ	\$3.970	\$0.000	\$3.970
5	Rider 5 RSAM per GJ	(\$0.416)	\$0.000	(\$0.416)
6	Subtotal Delivery Margin Related Charges per GJ	\$3.554	\$0.000	\$3.554
7				
8				
9	<u>Commodity Related Charges</u>			
10	Storage and Transport Charge per GJ	\$0.071	\$0.000	\$0.071
11	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$2.077	\$6.041
12	Subtotal of Commodity Related Charges per GJ	\$4.035	\$2.077	\$6.112

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

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SCHEDULE 5

RATE SCHEDULE 5 GENERAL FIRM SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2022 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Month	\$600.00	\$0.00	\$600.00
3				
4	Demand Charge per Month per GJ	\$35.892	\$0.000	\$35.892
5				
6	Delivery Charge per GJ	\$1.189	\$0.000	\$1.189
7	Subtotal Delivery Margin Related Charges per GJ	\$1.189	\$0.000	\$1.189
8				
9	<u>Commodity Related Charges</u>			
10	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$2.077	\$6.041
11	Storage and Transport Charge per GJ	\$0.049	\$0.000	\$0.049
12	Subtotal of Commodity Related Charges per GJ	\$4.013	\$2.077	\$6.090
13				
14				
15				
16				
17	Total Variable Cost per gigajoule	\$5.202	\$2.077	\$7.279

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JULY 1, 2022 RATES
BCUC ORDERS G-XX-22

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SCHEDULE 6

RATE SCHEDULE 6: NATURAL GAS VEHICLE SERVICE		EXISTING RATES JANUARY 1, 2022	COMMODITY RELATED CHARGES CHANGES	PROPOSED JULY 1, 2022 RATES
Line No.	Particulars	Fort Nelson	Fort Nelson	Fort Nelson
	(1)	(2)	(3)	(4)
1	<u>Delivery Margin Related Charges</u>			
2	Basic Charge per Day	\$2.0041	\$0.0000	\$2.0041
3	Delivery Charge per GJ	\$3.206	\$0.000	\$3.206
4				
5				
6	<u>Commodity Related Charges</u>			
7	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.964	\$2.077	\$6.041
8	Storage and Transport Charge per GJ	\$0.025	\$0.000	\$0.025
9	Subtotal of Commodity Related Charges per GJ	\$3.989	\$2.077	\$6.066
10				
11				
12				
13				
14	Total Variable Cost per gigajoule	\$7.195	\$2.077	\$9.272

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
COMMODITY RELATED CHARGES CHANGES
BCUC ORDERS G-XX-22
RATE SCHEDULE 1 - RESIDENTIAL SERVICE

Line No.	Particular	EXISTING RATES JANUARY 1, 2022				PROPOSED JULY 1, 2022 RATES				Annual Increase/Decrease		
		Quantity		Rate	Annual \$	Quantity		Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA											
2	<u>Delivery Margin Related Charges</u>											
3	Basic Charge per Day	365.25	days x	\$0.3701	= \$135.18	365.25	days x	\$0.3701	= \$135.18	\$0.0000	\$0.00	0.00%
4												
5	Delivery Charge per GJ	125.0	GJ x	\$4.296	= 537.0000	125.0	GJ x	\$4.296	= 537.0000	\$0.000	0.0000	0.00%
6	Rider 5 RSAM per GJ	125.0	GJ x	(\$0.416)	= (52.0000)	125.0	GJ x	(\$0.416)	= (52.0000)	\$0.000	0.0000	0.00%
7	Subtotal Delivery Margin Related Charges				\$620.18				\$620.18		\$0.00	0.00%
8												
9	<u>Commodity Related Charges</u>											
10	Storage and Transport Charge per GJ	125.0	GJ x	\$0.081	= \$10.13	125.0	GJ x	\$0.081	= \$10.13	\$0.000	\$0.00	0.00%
11												
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	125.0	GJ x	\$3.964	= \$495.50	125.0	GJ x	\$6.041	= \$755.13	\$2.077	\$259.63	23.06%
13	Subtotal Commodity Related Charges				\$505.63				\$765.26		\$259.63	23.06%
14												
15	Total (with effective \$/GJ rate)	125.0		\$9.006	\$1,125.81	125.0		\$11.084	\$1,385.44	\$2.077	\$259.63	23.06%

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

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
COMMODITY RELATED CHARGES CHANGES
BCUC ORDERS G-XX-22

RATE SCHEDULE 2 - SMALL COMMERCIAL SERVICE

Line No.	Particular	EXISTING RATES JANUARY 1, 2022					PROPOSED JULY 1, 2022 RATES					Annual Increase/Decrease		
		Quantity		Rate		Annual \$	Quantity		Rate		Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA													
2	<u>Delivery Margin Related Charges</u>													
3	Basic Charge per Day	365.25	days x	\$1.2151	=	\$443.82	365.25	days x	\$1.2151	=	\$443.82	\$0.0000	\$0.00	0.00%
4														
5	Delivery Charge per GJ	335.0	GJ x	\$4.654	=	1,559.0900	335.0	GJ x	\$4.654	=	1,559.0900	\$0.000	0.0000	0.00%
6	Rider 5 RSAM per GJ	335.0	GJ x	(\$0.416)	=	(139.3600)	335.0	GJ x	(\$0.416)	=	(139.3600)	\$0.000	0.0000	0.00%
7	Subtotal Delivery Margin Related Charges					\$1,863.55					\$1,863.55		\$0.00	0.00%
8														
9	<u>Commodity Related Charges</u>													
10	Storage and Transport Charge per GJ	335.0	GJ x	\$0.083	=	\$27.81	335.0	GJ x	\$0.083	=	\$27.81	\$0.000	\$0.00	0.00%
11														
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	335.0	GJ x	\$3.964	=	\$1,327.94	335.0	GJ x	\$6.041	=	\$2,023.74	\$2.077	\$695.80	21.61%
13	Subtotal Commodity Related Charges					\$1,355.75					\$2,051.55		\$695.80	21.61%
14														
15	Total (with effective \$/GJ rate)	335.0		\$9.610		\$3,219.30	335.0		\$11.687		\$3,915.10	\$2.077	\$695.80	21.61%

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

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
COMMODITY RELATED CHARGES CHANGES
BCUC ORDERS G-XX-22

RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE

Line No.	Particular	EXISTING RATES JANUARY 1, 2022					PROPOSED JULY 1, 2022 RATES					Annual Increase/Decrease		
		Quantity		Rate		Annual \$	Quantity		Rate		Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
1	FORT NELSON SERVICE AREA													
2	<u>Delivery Margin Related Charges</u>													
3	Basic Charge per Day	365.25	days x	\$3.6845	=	\$1,345.76	365.25	days x	\$3.6845	=	\$1,345.76	\$0.0000	\$0.00	0.00%
4														
5	Delivery Charge per GJ	6,375.0	GJ x	\$3.970	=	25,308.7500	6,375.0	GJ x	\$3.970	=	25,308.7500	\$0.000	0.0000	0.00%
6	Rider 5 RSAM per GJ	6,375.0	GJ x	(\$0.416)	=	(2,652.0000)	6,375.0	GJ x	(\$0.416)	=	(2,652.0000)	\$0.000	0.0000	0.00%
7	Subtotal Delivery Margin Related Charges					\$24,002.51					\$24,002.51		\$0.00	0.00%
8														
9	<u>Commodity Related Charges</u>													
10	Storage and Transport Charge per GJ	6,375.0	GJ x	\$0.071	=	\$452.63	6,375.0	GJ x	\$0.071	=	\$452.63	\$0.000	\$0.00	0.00%
11														
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	6,375.0	GJ x	\$3.964	=	\$25,270.50	6,375.0	GJ x	\$6.041	=	\$38,511.38	\$2.077	\$13,240.88	26.63%
13	Subtotal Commodity Related Charges					\$25,723.13					\$38,964.01		\$13,240.88	26.63%
14														
15	Total (with effective \$/GJ rate)	<u>6,375.0</u>		<u>\$7.800</u>		\$49,725.64	<u>6,375.0</u>		<u>\$9.877</u>		\$62,966.52	<u>\$2.077</u>	\$13,240.88	26.63%

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

ORDER NUMBER

G-xx-xx

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

and

FortisBC Energy Inc.
Application regarding its 2022 Second Quarter Gas Cost Report
and Rate Changes effective July 1, 2022
for the Fort Nelson Service Area

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. On June 1, 2022, FortisBC Energy Inc. (FEI) filed its 2022 Second Quarter Report on the Gas Cost Reconciliation Account (GCRA) and Commodity Cost Recovery Charge for the Fort Nelson service area (Fort Nelson) based on a five-day average of May 10, 11, 12, 13, and 16, 2022 forward gas prices (Five-Day Average Forward Prices ending May 16, 2022) (altogether the Second Quarter Report);
- B. The British Columbia Utilities Commission (BCUC) established guidelines for gas cost rate setting in Letter L-5-01 dated February 5, 2001, and further modified the guidelines in Letter L-40-11 dated May 19, 2011 (together the Guidelines);
- C. By Order G-267-21, the BCUC approved the current Commodity Cost Recovery Charge for the Fort Nelson service area at \$3.964 per gigajoule (\$/GJ) effective October 1, 2021;
- D. In the Second Quarter Report, using the Five-Day Average Forward Prices ending May 16, 2022, the after-tax balance of the GCRA is projected to be a deficit of \$237,711 at June 30, 2022. Based on the existing Commodity Cost Recovery Charge of \$3.964/GJ, FEI calculates the GCRA recovery-to-cost ratio to be 52.4 percent for the following 12 months. The tested rate increase related to the forecast under recovery of costs is calculated at \$3.595/GJ, which exceeds the minimum rate change threshold set out in the Guidelines;
- E. In the Second Quarter Gas Cost Report, FEI proposes that based on the current circumstances the BCUC consider a commodity rate utilizing a 24-month outlook for Fort Nelson. Letter L-15-16 approved revisions to the Guidelines, including consideration of commodity rate change proposals using a 24-month outlook, apply specifically to FEI's Mainland and Vancouver Island service area commodity rates. However, Letter L-

15-16 acknowledges that FEI may come forward with proposals to apply some or all of the elements of the Guideline revisions to Fort Nelson.

- F. FEI proposed an alternative based on utilizing a 24-month prospective rate setting period that results in a proposed rate increase of \$2.077/GJ to the Commodity Cost Recovery Charge effective July 1, 2022. The total annual bill for a typical Fort Nelson residential customer with an average annual consumption of 125 gigajoules will increase by approximately \$260 or 23.1 percent;
- G. The BCUC has reviewed the Second Quarter Report and considers the requested rate change is warranted, and that Tab 3 of the Report should be held confidential as requested by FEI, as it contains market sensitive information.

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

- 1. The BCUC approves the Commodity Cost Recovery Charge applicable to the Sales Rate Classes in the Fort Nelson service area to increase by \$2.077/GJ, from \$3.964/GJ to \$6.041/GJ, effective July 1, 2022.
- 2. FEI will notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.
- 3. The BCUC will hold confidential the information in Tab 3 of the Second Quarter Report, as requested by FEI, as it contains market sensitive information.
- 4. FEI is directed to file with the BCUC revised tariff pages within 15 days of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month) 2022.

BY ORDER

(X. X. last name)
Commissioner

Attachment