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March 6, 2024

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

Attention: Patrick Wruck, Commission Secretary

Dear Patrick Wruck:

**Re: FortisBC Energy Inc. – Mainland and Vancouver Island Service Area, and Fort Nelson Service Area**

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

**2024 First Quarter Gas Cost Report**

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The attached materials provide the FortisBC Energy Inc. (FEI or the Company) 2024 First Quarter Gas Cost Report for the Mainland and Vancouver Island Service Area, and Fort Nelson (FEFN)[1] Service Area (the 2024 First Quarter Gas Cost Report) as required under the British Columbia Utilities Commission (BCUC) guidelines for gas cost rate setting (the Guidelines)[2].

The gas cost forecast used within the attached report is based on the five-day average of the February 14, 15, 16, 20, and 21, 2024 forward prices (five-day average forward prices ending February 21, 2024).

## CCRA Deferral Account and Commodity Rate Setting Mechanism

Based on the five-day average forward prices ending February 21, 2024, the March 31, 2024, CCRA balance is projected to be approximately $30 million deficit after tax. At the existing commodity rate, the CCRA trigger ratio is calculated to be 91.5 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

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1 Approval, pursuant to BCUC Order G-278-22, to implement a common cost of gas rate for Fort Nelson and FEI, and to set Fort Nelson's midstream rates at five percent of FEI's midstream rates, effective January 1, 2023.

2 The BCUC established guidelines for gas cost rate setting in Letter L-5-01, dated February 5, 2001, and further modified the guidelines pursuant to Letter L-40-11, dated May 19, 2011, and Letter L-15-16, dated June 16, 2016.

the $0.50/GJ minimum rate change threshold. The results of the two-criterion rate adjustment mechanism indicate that no rate change is required at this time.

The schedules at Tab 2, Pages 1 and 2, provide details of the recorded and forecast, based on the five-day average forward prices ending February 21, 2024, CCRA gas supply costs. The schedule at Tab 2, Page 3 provides the information related to the unitization of the forecast CCRA gas supply costs for the April 1, 2024 to March 31, 2025 prospective period.

**Discussion**

The forward western Canadian natural gas prices have decreased from the forward prices used in the FEI 2023 Fourth Quarter Gas Cost Report for the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area. This is due to strong production volumes, high storage inventory volumes in western Canada, and warmer than normal weather temperatures for the region this past winter.

The commodity rate was last reset by way of a decrease, effective October 1, 2023, via the 2023 Third Quarter Gas Cost Report for the Mainland and Vancouver Island Service Area, and the Fort Nelson Service Area (2023 Third Quarter Gas Cost Report). The CCRA opening balance forecast at the start of the 12-month prospective period has changed from the $21 million after-tax surplus projected at September 30, 2023, in the 2023 Third Quarter Gas Cost Report, to the deficit of $30 million after-tax projected at March 31, 2024, in the 2024 First Quarter Gas Cost Report. Whereas, the 12-month prospective period average CCRA commodity costs, including hedging, forecast in the 2024 First Quarter Gas Cost Report have decreased slightly from those forecast within the 2023 Third Quarter Gas Cost Report.

**MCRA Deferral Account**

Based on the five-day average forward prices ending February 21, 2024, the MCRA balances after tax at December 31, 2024 and December 31, 2025 are projected to be approximately $30 million surplus and $86 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 to 6, provide details of the recorded and forecast MCRA gas supply costs for calendar 2023, 2024, and 2025 based on the five-day average forward prices ending February 21, 2024. Tab 2, Pages 7 and 7.1 provide the information related to the forecast MCRA gas supply costs for the April 1, 2024 to March 31, 2025 prospective period.

The schedules at Tab 3, Pages 1 to 4 provide details of the forecast costs for the Revelstoke propane supply portfolio. The schedule at Tab 4, Page 1 provides details of the forecast costs for the Fort Nelson natural gas supply portfolio.

FEI requests the information contained within Tabs 3 and 4 be treated as CONFIDENTIAL.

FEI will continue to monitor and report the MCRA deferral account balances consistent with the Company's position that midstream recoveries and costs be reported on a quarterly basis, and that under normal circumstances, midstream rates be adjusted on an annual basis with a January 1 effective date.

## CONFIDENTIALITY

FEI requests that the information contained in Tabs 3 and 4 be filed on a confidential basis and held confidential in perpetuity, pursuant to Section 18 of the BCUC's Rules of Practice and Procedure regarding confidential documents as set out in Order G-72-23, and section 71(5) of the *Utilities Commission Act*. FEI 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.

Tabs 3 and 4 contain confidential and commercially sensitive information related to FEI's gas (natural gas and propane) resourcing strategies, including confidential information of third parties that FEI is obligated to protect. FEI procures its gas resources in a competitive market and it is customary for competing parties to keep their gas portfolio strategies and contracts confidential. Keeping the information confidential will ensure FEI's ability to obtain favourable commercial terms for future gas contracting is not impaired. FEI is unable to foresee a time when its gas resourcing strategies may no longer be commercially sensitive or when its confidentiality obligations to third parties may end, and therefore requests the information remain confidential in perpetuity.

### Summary

The Company requests approval for the Commodity Cost Recovery Charge applicable to all affected sales rate classes, including Rate Schedule 46 LNG Service, within the Mainland and Vancouver Island service area and the Fort Nelson service area to remain unchanged from the current $2.230/GJ, effective April 1, 2024.

FEI will continue to monitor the forward prices and will report CCRA and MCRA balances in its 2024 Second Quarter Gas Cost Report.

We trust BCUC will find the attached to be in order. However, should any further information be required, please contact Gurvinder Sidhu at 604-592-7675.

Sincerely,

**FORTISBC ENERGY INC.**

***Original signed:***

Sarah Walsh

Attachments

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**CCRA BALANCES AT EXISTING RATES (AFTER ADJUSTMENTS FOR ENERGY DIFFERENCES)**
**FOR THE FORECAST PERIOD FROM APR 2024 TO MAR 2026**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**
**$(Millions)**

| Line | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | **2023** |
| 2 | | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | **Total** |
| 3 | CCRA Balance - Beginning (Pre-tax) [(a)] | $ 81 | $ 83 | $ 68 | $ 41 | $ 27 | $ 11 | $ 1 | $ (1) | $ 0 | $ 3 | $ 14 | $ 25 | **$ 81** |
| 4 | Gas Costs Incurred | 65 | 43 | 37 | 38 | 36 | 36 | 37 | 41 | 40 | 39 | 38 | 35 | 486 |
| 5 | Revenue from **APPROVED** Recovery Rates | (64) | (58) | (64) | (53) | (52) | (47) | (38) | (40) | (38) | (28) | (27) | (28) | (535) |
| 6 | **CCRA Balance - Ending (Pre-tax)** | $ 83 | $ 68 | $ 41 | $ 27 | $ 11 | $ 1 | $ (1) | $ 0 | $ 3 | $ 14 | $ 25 | $ 32 | **$ 32** |
| 7 | | | | | | | | | | | | | | |
| 8 | 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% |
| 9 | | | | | | | | | | | | | | |
| 10 | **CCRA Balance - Ending (After-tax)** [(c)] | $ 61 | $ 50 | $ 30 | $ 20 | $ 8 | $ 0 | $ (1) | $ 0 | $ 2 | $ 10 | $ 18 | $ 24 | **$ 24** |
| 11 | | | | | | | | | | | | | | |
| 12 | | Recorded | Projected | Projected | | | | | | | | | | **Jan-24 to** |
| 13 | | Jan-24 | Feb-24 | Mar-24 | | | | | | | | | | **Mar-24** |
| 14 | CCRA Balance - Beginning (Pre-tax) [(a)] | $ 32 | $ 50 | $ 49 | | | | | | | | | | **$ 32** |
| 15 | Gas Costs Incurred | 48 | 24 | 22 | | | | | | | | | | 94 |
| 16 | Revenue from **APPROVED** Recovery Rates | (30) | (26) | (28) | | | | | | | | | | (84) |
| 17 | **CCRA Balance - Ending (Pre-tax)** [(b)] | $ 50 | $ 49 | $ 40 | | | | | | | | | | **$ 40** |
| 18 | | | | | | | | | | | | | | |
| 19 | Tax Rate | 27.0% | 27.0% | 27.0% | | | | | | | | | | 27.0% |
| 20 | | | | | | | | | | | | | | |
| 21 | **CCRA Balance - Ending (After-tax)** [(c)] | $ 37 | $ 36 | $ 30 | | | | | | | | | | **$ 30** |
| 22 | | | | | | | | | | | | | | |
| 23 | | | | | | | | | | | | | | **Apr-24** |
| 24 | | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | **to** |
| 25 | | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | **Mar-25** |
| 26 | CCRA Balance - Beginning (Pre-tax) [(a)] | $ 40 | $ 33 | $ 23 | $ 14 | $ 5 | $ (3) | $ (11) | $ (18) | $ (11) | $ (1) | $ 11 | $ 22 | **$ 40** |
| 27 | Gas Costs Incurred | 20 | 19 | 19 | 19 | 20 | 19 | 22 | 34 | 39 | 40 | 36 | 37 | 324 |
| 28 | Revenue from **EXISTING** Recovery Rates | (27) | (28) | (27) | (28) | (28) | (27) | (28) | (27) | (28) | (28) | (26) | (28) | (333) |
| 29 | **CCRA Balance - Ending (Pre-tax)** [(b)] | $ 33 | $ 23 | $ 14 | $ 5 | $ (3) | $ (11) | $ (18) | $ (11) | $ (1) | $ 11 | $ 22 | $ 31 | **$ 31** |
| 30 | | | | | | | | | | | | | | |
| 31 | 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% |
| 32 | | | | | | | | | | | | | | |
| 33 | **CCRA Balance - Ending (After-tax)** [(c)] | $ 24 | $ 17 | $ 11 | $ 4 | $ (2) | $ (8) | $ (13) | $ (8) | $ (0) | $ 8 | $ 16 | $ 23 | **$ 23** |
| 34 | | | | | | | | | | | | | | |
| 35 | | | | | | | | | | | | | | **Apr-25** |
| 36 | | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | **to** |
| 37 | | Apr-25 | May-25 | Jun-25 | Jul-25 | Aug-25 | Sep-25 | Oct-25 | Nov-25 | Dec-25 | Jan-26 | Feb-26 | Mar-26 | **Mar-26** |
| 38 | CCRA Balance - Beginning (Pre-tax) [(a)] | $ 31 | $ 37 | $ 41 | $ 47 | $ 54 | $ 62 | $ 69 | $ 80 | $ 97 | $ 119 | $ 144 | $ 165 | **$ 31** |
| 39 | Gas Costs Incurred | 34 | 33 | 33 | 36 | 36 | 36 | 39 | 45 | 51 | 53 | 47 | 46 | 491 |
| 40 | Revenue from **EXISTING** Recovery Rates | (28) | (29) | (28) | (29) | (29) | (28) | (29) | (28) | (29) | (29) | (26) | (29) | (339) |
| 41 | **CCRA Balance - Ending (Pre-tax)** [(b)] | $ 37 | $ 41 | $ 47 | $ 54 | $ 62 | $ 69 | $ 80 | $ 97 | $ 119 | $ 144 | $ 165 | $ 182 | **$ 182** |
| 42 | | | | | | | | | | | | | | |
| 43 | 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% |
| 44 | | | | | | | | | | | | | | |
| 45 | **CCRA Balance - Ending (After-tax)** [(c)] | $ 27 | $ 30 | $ 34 | $ 39 | $ 45 | $ 51 | $ 58 | $ 71 | $ 87 | $ 105 | $ 120 | $ 133 | **$ 133** |

Notes:
(a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
(b) For rate setting purposes CCRA pre-tax balances include grossed-up projected deferred interest of approximately $2.5 million credit as at March 31, 2024.
(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, AND FORT NELSON SERVICE AREAS**
**CCRA RATE CHANGE TRIGGER MECHANISM**
**FOR THE FORECAST PERIOD APR 2024 TO MAR 2025**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**

| 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 Apr 1, 2024 [(a)] | $ 40.4 | | | | (Tab 1, Page 1, Col.14, Line 26) |
| 4 | Forecast Incurred Gas Costs - Apr 2024 to Mar 2025 | $ 323.6 | | | | (Tab 1, Page 1, Col.14, Line 27) |
| 5 | Forecast Recovery Gas Costs at Existing Recovery Rate - Apr 2024 to Mar 2025 | $ 333.2 | | | | (Tab 1, Page 1, Col.14, Line 28) |
| 6 | | | | | | |
| 7 | **CCRA** = Forecast Recovered Gas Costs (Line 5) = | $ 333.2 | | = **91.5%** | | |
| 8 | **Ratio** Forecast Incurred Gas Costs (Line 4) + Projected CCRA Balance (Line 3) | $ 364.0 | | | | **Outside 95% to 105% deadband** |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | **Existing Cost of Gas (Commodity Cost Recovery Rate), effective October 1, 2023** | | | | **$ 2.230** | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | **CCRA RATE CHANGE THRESHOLD (+/- $0.50/GJ)** | | | | | |
| 19 | | | | | | |
| 20 | Forecast 12-month CCRA Baseload - Apr 2024 to Mar 2025 | | 149,402 | | | (Tab1, Page 7, Col.5, Line 10 ) |
| 21 | | | | | | |
| 22 | Projected Deferral Balance at Apr 1, 2024 [(a)] | $ 40.4 | | | $ 0.2706 [(b)] | |
| 23 | Forecast 12-month CCRA Activities - Apr 2024 to Mar 2025 | $ (9.6) | | | $ (0.0639) [(b)] | |
| 24 | (Over) / Under Recovery at Existing Rate | $ 30.9 | | | | (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, AND FORT NELSON SERVICE AREAS**
**MCRA BALANCES AT EXISTING RATES (AFTER ADJUSTMENTS FOR ENERGY DIFFERENCES)**
**FOR THE FORECAST PERIOD FROM APR 2024 TO DEC 2025**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**
**$(Millions)**

| Line | (1) | | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | **Total** |
| 2 | | | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | **2023** |
| 3 | MCRA Cumulative Balance - Beginning (Pre-tax) [a] | | $ (208) | $ (256) | $ (276) | $ (298) | $ (289) | $ (268) | $ (246) | $ (238) | $ (234) | $ (218) | $ (212) | $ (220) | **$ (208)** |
| 4 | **2023 MCRA Activities** | | | | | | | | | | | | | | |
| 5 | Rate Rider 6 | | | | | | | | | | | | | | |
| 6 | *Rider 6 Amortization at APPROVED 2023 Rates* | **$ (59)** | $ 7 | $ 8 | $ 7 | $ 5 | $ 2 | $ 2 | $ 2 | $ 2 | $ 2 | $ 4 | $ 7 | $ 8 | **$ 56** |
| 7 | Midstream Base Rates | | | | | | | | | | | | | | |
| 8 | *Gas Costs Incurred* | | $ 3 | $ 51 | $ 30 | $ 27 | $ 1 | $ 2 | $ (15) | $ (19) | $ (2) | $ 11 | $ 26 | $ 30 | $ 144 |
| 9 | *Revenue from APPROVED 2023 Recovery Rates* | | (58) | (79) | (60) | (23) | 18 | 18 | 21 | 21 | 16 | (9) | (40) | (49) | (224) |
| 10 | Total Midstream Base Rates (Pre-tax) | | $ (56) | $ (28) | $ (30) | $ 4 | $ 19 | $ 20 | $ 6 | $ 3 | $ 14 | $ 2 | $ (15) | $ (19) | **$ (80)** |
| 11 | | | | | | | | | | | | | | | |
| 12 | **MCRA Cumulative Balance - Ending (Pre-tax)** | | $ (256) | $ (276) | $ (298) | $ (289) | $ (268) | $ (246) | $ (238) | $ (234) | $ (218) | $ (212) | $ (220) | $ (231) | **$ (231)** |
| 13 | 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% |
| 14 | | | | | | | | | | | | | | | |
| 15 | **MCRA Cumulative Balance - Ending (After-tax) [c]** | | $ (187) | $ (201) | $ (218) | $ (211) | $ (196) | $ (179) | $ (174) | $ (170) | $ (159) | $ (155) | $ (160) | $ (168) | **$ (168)** |
| 16 | | | | | | | | | | | | | | | |
| 17 | | | Recorded | Projected | Projected | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | **Total** |
| 18 | | | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | **2024** |
| 19 | MCRA Balance - Beginning (Pre-tax) [a] | | $ (231) | $ (193) | $ (175) | $ (167) | $ (155) | $ (138) | $ (123) | $ (107) | $ (93) | $ (78) | $ (68) | $ (56) | **$ (231)** |
| 20 | **2024 MCRA Activities** | | | | | | | | | | | | | | |
| 21 | Rate Rider 6 | | | | | | | | | | | | | | |
| 22 | *Rider 6 Amortization at APPROVED 2024 Rates* | **$ (130)** | $ 19 | $ 17 | $ 14 | $ 10 | $ 6 | $ 5 | $ 4 | $ 4 | $ 5 | $ 10 | $ 15 | $ 20 | **$ 130** |
| 23 | Midstream Base Rates | | | | | | | | | | | | | | |
| 24 | *Gas Costs Incurred* | | $ 65 | $ 44 | $ 33 | $ 14 | $ 7 | $ 0 | $ (4) | $ (6) | $ (1) | $ 9 | $ 27 | $ 46 | $ 234 |
| 25 | *Revenue from **APPROVED** Recovery Rates* | | (46) | (43) | (32) | (13) | 4 | 10 | 15 | 16 | 11 | (8) | (31) | $ (50) | (167) |
| 26 | Total Midstream Base Rates (Pre-tax) | | $ 18 | $ 1 | $ 1 | $ 1 | $ 11 | $ 10 | $ 11 | $ 10 | $ 10 | $ 1 | $ (3) | $ (5) | **$ 67** |
| 27 | | | | | | | | | | | | | | | |
| 28 | **MCRA Cumulative Balance - Ending (Pre-tax) [b]** | | $ (193) | $ (175) | $ (167) | $ (155) | $ (138) | $ (123) | $ (107) | $ (93) | $ (78) | $ (68) | $ (56) | $ (41) | **$ (41)** |
| 29 | 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% |
| 30 | | | | | | | | | | | | | | | |
| 31 | **MCRA Cumulative Balance - Ending (After-tax) [c]** | | $ (141) | $ (128) | $ (122) | $ (113) | $ (101) | $ (89) | $ (78) | $ (68) | $ (57) | $ (49) | $ (41) | $ (30) | **$ (30)** |
| 32 | | | | | | | | | | | | | | | |
| 33 | | | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | **Total** |
| 34 | | | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | Jul-25 | Aug-25 | Sep-25 | Oct-25 | Nov-25 | Dec-25 | **2025** |
| 35 | MCRA Balance - Beginning (Pre-tax) [a] | | $ (41) | $ (27) | $ (17) | $ (3) | $ 9 | $ 24 | $ 36 | $ 46 | $ 57 | $ 66 | $ 75 | $ 93 | **$ (41)** |
| 36 | **2025 MCRA Activities** | | | | | | | | | | | | | | |
| 37 | Rate Rider 6 | | | | | | | | | | | | | | |
| 38 | *Rider 6 Amortization at APPROVED 2024 Rates* | | $ 20 | $ 17 | $ 15 | $ 10 | $ 6 | $ 5 | $ 4 | $ 4 | $ 5 | $ 10 | $ 15 | $ 20 | **$ 131** |
| 39 | Midstream Base Rates | | | | | | | | | | | | | | |
| 40 | *Gas Costs Incurred* | | $ 44 | $ 36 | $ 27 | $ 13 | $ 4 | $ (3) | $ (8) | $ (9) | $ (6) | $ 8 | $ 34 | $ 56 | $ 195 |
| 41 | *Revenue from **EXISTING** Recovery Rates* | | $ (50) | (43) | (28) | (11) | 5 | 10 | 15 | 15 | 10 | (9) | (31) | (50) | (167) |
| 42 | Total Midstream Base Rates (Pre-tax) | | $ (6) | $ (7) | $ (1) | $ 2 | $ 9 | $ 6 | $ 6 | $ 6 | $ 4 | $ (1) | $ 3 | $ 6 | **$ 28** |
| 43 | | | | | | | | | | | | | | | |
| 44 | **MCRA Cumulative Balance - Ending (Pre-tax) [b]** | | $ (27) | $ (17) | $ (3) | $ 9 | $ 24 | $ 36 | $ 46 | $ 57 | $ 66 | $ 75 | $ 93 | $ 118 | **$ 118** |
| 45 | 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% |
| 46 | | | | | | | | | | | | | | | |
| 47 | **MCRA Cumulative Balance - Ending (After-tax) [c]** | | $ (20) | $ (12) | $ (2) | $ 6 | $ 18 | $ 26 | $ 34 | $ 41 | $ 48 | $ 55 | $ 68 | $ 86 | **$ 86** |

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 $7.1 million credit as at March 31, 2024.
(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, AND FORT NELSON SERVICE AREAS**
**SUMAS INDEX FORECAST FOR THE PERIOD ENDING MAR 2026**
**AND US DOLLAR EXCHANGE RATE FORECAST UPDATE**

| Line No | Particulars | | | Five-day Average Forward Prices - February 14, 15, 16, 20, and 21, 2024<br>2024 Q1 Gas Cost Report | | Five-day Average Forward Prices - November 1, 2, 3, 6, and 7, 2023<br>2023 Q4 Gas Cost Report | | Change in Forward Price |
|---|---|---|---|---|---|---|---|---|
| | (1) | | | (2) | | (3) | | (4) = (2) - (3) |
| 1 | **SUMAS Index Prices - presented in $US/MMBtu** | | | | | | | |
| 2 | | | | | | | | |
| 3 | **2023** | October | | $ 3.19 | **Settled** | $ 3.19 | | $ - |
| 4 | | November | | $ 6.23 | **Forecast** | $ 6.32 | | $ (0.09) |
| 5 | | December | | $ 6.39 | | $ 11.36 | | $ (4.97) |
| 6 | **2024** | January | **Settled** | $ 3.77 | | $ 10.99 | | $ (7.22) |
| 7 | | February | **Forecast** | $ 4.82 | | $ 8.67 | | $ (3.85) |
| 8 | | March | | $ 1.90 | | $ 4.91 | | $ (3.01) |
| 9 | | April | | $ 1.71 | | $ 3.40 | | $ (1.68) |
| 10 | | May | | $ 1.19 | | $ 2.47 | | $ (1.28) |
| 11 | | June | | $ 1.65 | | $ 2.85 | | $ (1.20) |
| 12 | | July | | $ 2.46 | | $ 3.94 | | $ (1.48) |
| 13 | | August | | $ 2.73 | | $ 4.14 | | $ (1.41) |
| 14 | | September | | $ 2.39 | | $ 3.83 | | $ (1.44) |
| 15 | | October | | $ 2.44 | | $ 3.67 | | $ (1.22) |
| 16 | | November | | $ 5.99 | | $ 6.58 | | $ (0.59) |
| 17 | | December | | $ 9.62 | | $ 10.33 | | $ (0.71) |
| 18 | **2025** | January | | $ 9.55 | | $ 10.35 | | $ (0.79) |
| 19 | | February | | $ 8.12 | | $ 8.89 | | $ (0.78) |
| 20 | | March | | $ 4.36 | | $ 6.08 | | $ (1.73) |
| 21 | | April | | $ 2.50 | | $ 3.40 | | $ (0.90) |
| 22 | | May | | $ 2.29 | | $ 3.14 | | $ (0.85) |
| 23 | | June | | $ 2.54 | | $ 3.33 | | $ (0.79) |
| 24 | | July | | $ 3.45 | | $ 3.90 | | $ (0.44) |
| 25 | | August | | $ 3.57 | | $ 4.00 | | $ (0.43) |
| 26 | | September | | $ 3.44 | | $ 3.89 | | $ (0.45) |
| 27 | | October | | $ 3.03 | | $ 3.83 | | $ (0.80) |
| 28 | | November | | $ 6.83 | | $ 7.15 | | $ (0.32) |
| 29 | | December | | $ 8.82 | | $ 8.89 | | $ (0.07) |
| 30 | **2026** | January | | $ 8.61 | | | | |
| 31 | | February | | $ 7.79 | | | | |
| 32 | | March | | $ 4.68 | | | | |
| 33 | | | | | | | | |
| 34 | *Simple Average (Apr 2024 - Mar 2025)* | | | *$ 4.35* | | *$ 5.54* | *-21.5%* | *$ (1.19)* |
| 35 | *Simple Average (Jul 2024 - Jun 2025)* | | | *$ 4.58* | | *$ 5.64* | *-18.7%* | *$ (1.06)* |
| 36 | *Simple Average (Oct 2024 - Sep 2025)* | | | *$ 4.82* | | *$ 5.63* | *-14.3%* | *$ (0.81)* |
| 37 | *Simple Average (Jan 2025 - Dec 2025)* | | | *$ 4.87* | | *$ 5.57* | *-12.5%* | *$ (0.70)* |
| 38 | *Simple Average (Apr 2025 - Mar 2026)* | | | *$ 4.80* | | | | |

Conversation Factors
1 MMBtu = 1.055056 GJ

| Morningstar Average Exchange Rate ($1US=$x.xxxCDN) | Forecast Apr 2024 - Mar 2025 | Forecast Jan 2024 - Dec 2024 | | |
|---|---|---|---|---|
| | $ 1.3474 | $ 1.3703 | *-1.7%* | *$ (0.0229)* |

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**SUMAS INDEX FORECAST FOR THE PERIOD ENDING MAR 2026**

| Line No | Particulars | | | Five-day Average Forward Prices - February 14, 15, 16, 20, and 21, 2024<br>2024 Q1 Gas Cost Report | | | Five-day Average Forward Prices - November 1, 2, 3, 6, and 7, 2023<br>2023 Q4 Gas Cost Report | | | Change in Forward Price | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | (1) | | | | (2) | | | (3) | | | (4) = (2) - (3) |
| 1 | **SUMAS Index Prices - presented in $CDN/GJ** | | | | | | | | | | |
| 2 | | | | | | | | | | | |
| 3 | **2023** | October | | $ | 4.09 | **Settled** | $ | 4.09 | | $ | - |
| 4 | | November | | $ | 8.19 | **Forecast** | $ | 8.27 | | $ | (0.08) |
| 5 | | December | | $ | 8.18 | | $ | 14.79 | | $ | (6.61) |
| 6 | **2024** | January | **Settled** | $ | 4.73 | | $ | 14.30 | | $ | (9.57) |
| 7 | | February | **Forecast** | $ | 6.11 | | $ | 11.28 | | $ | (5.17) |
| 8 | | March | | $ | 2.43 | | $ | 6.38 | | $ | (3.95) |
| 9 | | April | | $ | 2.19 | | $ | 4.42 | | $ | (2.22) |
| 10 | | May | | $ | 1.53 | | $ | 3.21 | | $ | (1.69) |
| 11 | | June | | $ | 2.11 | | $ | 3.71 | | $ | (1.60) |
| 12 | | July | | $ | 3.15 | | $ | 5.12 | | $ | (1.97) |
| 13 | | August | | $ | 3.49 | | $ | 5.37 | | $ | (1.88) |
| 14 | | September | | $ | 3.06 | | $ | 4.97 | | $ | (1.92) |
| 15 | | October | | $ | 3.12 | | $ | 4.75 | | $ | (1.63) |
| 16 | | November | | $ | 7.65 | | $ | 8.54 | | $ | (0.89) |
| 17 | | December | | $ | 12.28 | | $ | 13.38 | | $ | (1.11) |
| 18 | **2025** | January | | $ | 12.19 | | $ | 13.41 | | $ | (1.22) |
| 19 | | February | | $ | 10.36 | | $ | 11.53 | | $ | (1.17) |
| 20 | | March | | $ | 5.56 | | $ | 7.88 | | $ | (2.32) |
| 21 | | April | | $ | 3.19 | | $ | 4.40 | | $ | (1.21) |
| 22 | | May | | $ | 2.92 | | $ | 4.07 | | $ | (1.15) |
| 23 | | June | | $ | 3.24 | | $ | 4.31 | | $ | (1.08) |
| 24 | | July | | $ | 4.40 | | $ | 5.04 | | $ | (0.64) |
| 25 | | August | | $ | 4.54 | | $ | 5.17 | | $ | (0.63) |
| 26 | | September | | $ | 4.38 | | $ | 5.03 | | $ | (0.65) |
| 27 | | October | | $ | 3.86 | | $ | 4.95 | | $ | (1.09) |
| 28 | | November | | $ | 8.70 | | $ | 9.24 | | $ | (0.55) |
| 29 | | December | | $ | 11.22 | | $ | 11.48 | | $ | (0.25) |
| 30 | **2026** | January | | $ | 10.96 | | | | | | |
| 31 | | February | | $ | 9.91 | | | | | | |
| 32 | | March | | $ | 5.95 | | | | | | |
| 33 | | | | | | | | | | | |
| 34 | *Simple Average (Apr 2024 - Mar 2025)* | | | *$* | *5.56* | | *$* | *7.19* | *-22.7%* | *$* | *(1.63)* |
| 35 | *Simple Average (Jul 2024 - Jun 2025)* | | | *$* | *5.85* | | *$* | *7.31* | *-20.0%* | *$* | *(1.46)* |
| 36 | *Simple Average (Oct 2024 - Sep 2025)* | | | *$* | *6.15* | | *$* | *7.29* | *-15.7%* | *$* | *(1.14)* |
| 37 | *Simple Average (Jan 2025 - Dec 2025)* | | | *$* | *6.21* | | *$* | *7.21* | *-13.8%* | *$* | *(1.00)* |
| 38 | *Simple Average (Apr 2025 - Mar 2026)* | | | *$* | *6.11* | | | | | | |

Conversation Factors
1 MMBtu = 1.055056 GJ

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

| Forecast Apr 2024 - Mar 2025 | | Forecast Jan 2024 - Dec 2024 | | | | |
|---|---|---|---|---|---|---|
| $ | 1.3474 | $ | 1.3703 | -1.7% | $ | (0.0229) |

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**AECO INDEX FORECAST FOR THE PERIOD ENDING MAR 2026**

| Line No | Particulars | | | Five-day Average Forward Prices - February 14, 15, 16, 20, and 21, 2024 2024 Q1 Gas Cost Report | | | Five-day Average Forward Prices - November 1, 2, 3, 6, and 7, 2023 2023 Q4 Gas Cost Report | | Change in Forward Price | |
|---|---|---|---|---|---|---|---|---|---|---|
| | (1) | | | | (2) | | | (3) | | (4) = (2) - (3) |
| 1 | **AECO Index Prices - $CDN/GJ** | | | | | | | | | |
| 2 | | | | | | | | | | |
| 3 | | **2023** | October | $ | 2.33 | | $ | 2.33 | $ | - |
| 4 | | | November | $ | 2.60 | **Settled** | $ | 2.61 | $ | (0.01) |
| 5 | | | December | $ | 2.62 | **Forecast** | $ | 2.82 | $ | (0.20) |
| 6 | | **2024** | January | **Settled** $ | 1.99 | | $ | 2.94 | $ | (0.96) |
| 7 | | | February | **Forecast** $ | 2.20 | | $ | 2.93 | $ | (0.72) |
| 8 | | | March | $ | 1.60 | | $ | 2.76 | $ | (1.16) |
| 9 | | | April | $ | 1.55 | | $ | 2.58 | $ | (1.03) |
| 10 | | | May | $ | 1.49 | | $ | 2.50 | $ | (1.01) |
| 11 | | | June | $ | 1.51 | | $ | 2.52 | $ | (1.01) |
| 12 | | | July | $ | 1.50 | | $ | 2.54 | $ | (1.04) |
| 13 | | | August | $ | 1.56 | | $ | 2.58 | $ | (1.02) |
| 14 | | | September | $ | 1.54 | | $ | 2.53 | $ | (1.00) |
| 15 | | | October | $ | 1.77 | | $ | 2.71 | $ | (0.94) |
| 16 | | | November | $ | 2.57 | | $ | 3.45 | $ | (0.88) |
| 17 | | | December | $ | 2.99 | | $ | 3.88 | $ | (0.89) |
| 18 | | **2025** | January | $ | 3.16 | | $ | 4.05 | $ | (0.89) |
| 19 | | | February | $ | 3.12 | | $ | 4.04 | $ | (0.92) |
| 20 | | | March | $ | 2.83 | | $ | 3.83 | $ | (1.00) |
| 21 | | | April | $ | 2.70 | | $ | 3.56 | $ | (0.86) |
| 22 | | | May | $ | 2.55 | | $ | 3.36 | $ | (0.81) |
| 23 | | | June | $ | 2.61 | | $ | 3.39 | $ | (0.78) |
| 24 | | | July | $ | 2.79 | | $ | 3.48 | $ | (0.68) |
| 25 | | | August | $ | 2.83 | | $ | 3.53 | $ | (0.71) |
| 26 | | | September | $ | 2.88 | | $ | 3.67 | $ | (0.79) |
| 27 | | | October | $ | 3.05 | | $ | 3.83 | $ | (0.78) |
| 28 | | | November | $ | 3.56 | | $ | 4.21 | $ | (0.66) |
| 29 | | | December | $ | 3.96 | | $ | 4.59 | $ | (0.63) |
| 30 | | **2026** | January | $ | 4.14 | | | | | |
| 31 | | | February | $ | 4.05 | | | | | |
| 32 | | | March | $ | 3.52 | | | | | |
| 33 | | | | | | | | | | |
| 34 | *Simple Average (Apr 2024 - Mar 2025)* | | | *$* | *2.13* | | *$* | *3.10* | *-31.2% $* | *(0.97)* |
| 35 | *Simple Average (Jul 2024 - Jun 2025)* | | | *$* | *2.41* | | *$* | *3.33* | *-27.6% $* | *(0.92)* |
| 36 | *Simple Average (Oct 2024 - Sep 2025)* | | | *$* | *2.73* | | *$* | *3.58* | *-23.6% $* | *(0.84)* |
| 37 | *Simple Average (Jan 2025 - Dec 2025)* | | | *$* | *3.00* | | *$* | *3.79* | *-20.9% $* | *(0.79)* |
| 38 | *Simple Average (Apr 2025 - Mar 2026)* | | | *$* | *3.22* | | | | | |

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**STATION 2 INDEX FORECAST FOR THE PERIOD ENDING MAR 2026**

| Line No | Particulars | | | Five-day Average Forward Prices - February 14, 15, 16, 20, and 21, 2024<br>2024 Q1 Gas Cost Report | | | Five-day Average Forward Prices - November 1, 2, 3, 6, and 7, 2023<br>2023 Q4 Gas Cost Report | | | Change in Forward Price | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | (1) | | | | (2) | | | (3) | | | (4) = (2) - (3) |
| 1 | **Station 2 Index Prices - $CDN/GJ** | | | | | | | | | | |
| 2 | | | | | | | | | | | |
| 3 | **2023** | October | | $ | 2.12 | **Settled** | $ | 2.12 | | $ | - |
| 4 | | November | | $ | 2.21 | **Forecast** | $ | 2.22 | | $ | (0.02) |
| 5 | | December | | $ | 2.37 | | $ | 2.69 | | $ | (0.32) |
| 6 | **2024** | January | **Settled** | $ | 1.66 | | $ | 2.81 | | $ | (1.15) |
| 7 | | February | **Forecast** | $ | 1.98 | | $ | 2.80 | | $ | (0.81) |
| 8 | | March | | $ | 1.29 | | $ | 2.43 | | $ | (1.14) |
| 9 | | April | | $ | 1.13 | | $ | 2.00 | | $ | (0.87) |
| 10 | | May | | $ | 1.00 | | $ | 1.88 | | $ | (0.87) |
| 11 | | June | | $ | 1.02 | | $ | 1.90 | | $ | (0.88) |
| 12 | | July | | $ | 1.04 | | $ | 1.92 | | $ | (0.88) |
| 13 | | August | | $ | 1.10 | | $ | 1.96 | | $ | (0.85) |
| 14 | | September | | $ | 1.08 | | $ | 1.91 | | $ | (0.84) |
| 15 | | October | | $ | 1.31 | | $ | 2.09 | | $ | (0.77) |
| 16 | | November | | $ | 2.45 | | $ | 3.32 | | $ | (0.87) |
| 17 | | December | | $ | 2.88 | | $ | 3.76 | | $ | (0.88) |
| 18 | **2025** | January | | $ | 3.04 | | $ | 3.93 | | $ | (0.89) |
| 19 | | February | | $ | 3.00 | | $ | 3.91 | | $ | (0.91) |
| 20 | | March | | $ | 2.71 | | $ | 3.71 | | $ | (1.00) |
| 21 | | April | | $ | 2.37 | | $ | 3.19 | | $ | (0.82) |
| 22 | | May | | $ | 2.22 | | $ | 3.00 | | $ | (0.78) |
| 23 | | June | | $ | 2.28 | | $ | 3.03 | | $ | (0.75) |
| 24 | | July | | $ | 2.46 | | $ | 3.11 | | $ | (0.65) |
| 25 | | August | | $ | 2.50 | | $ | 3.17 | | $ | (0.67) |
| 26 | | September | | $ | 2.55 | | $ | 3.31 | | $ | (0.76) |
| 27 | | October | | $ | 2.73 | | $ | 3.47 | | $ | (0.75) |
| 28 | | November | | $ | 3.42 | | $ | 4.06 | | $ | (0.65) |
| 29 | | December | | $ | 3.82 | | $ | 4.44 | | $ | (0.62) |
| 30 | **2026** | January | | $ | 4.00 | | | | | | |
| 31 | | February | | $ | 3.91 | | | | | | |
| 32 | | March | | $ | 3.38 | | | | | | |
| 33 | | | | | | | | | | | |
| 34 | *Simple Average (Apr 2024 - Mar 2025)* | | | *$* | *1.81* | | *$* | *2.69* | *-32.6%* | *$* | *(0.88)* |
| 35 | *Simple Average (Jul 2024 - Jun 2025)* | | | *$* | *2.12* | | *$* | *2.98* | *-28.7%* | *$* | *(0.85)* |
| 36 | *Simple Average (Oct 2024 - Sep 2025)* | | | *$* | *2.48* | | *$* | *3.29* | *-24.7%* | *$* | *(0.81)* |
| 37 | *Simple Average (Jan 2025 - Dec 2025)* | | | *$* | *2.76* | | *$* | *3.53* | *-21.8%* | *$* | *(0.77)* |
| 38 | *Simple Average (Apr 2025 - Mar 2026)* | | | *$* | *2.97* | | | | | | |

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**GAS BUDGET COST SUMMARY FOR THE FORECAST PERIOD APR 2024 TO MAR 2025**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**

| 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 | | $ 191,556 | | 117,318 | | $ 1.633 | |
| 4 | AECO | | 80,695 | | 37,873 | | $ 2.131 | |
| 5 | Commodity Costs before Hedging | | $ 272,251 | | 155,191 | | $ 1.754 | Incl. Receipt Point Fuel. |
| 6 | Hedging Cost / (Gain) | | 49,548 | | - | | | |
| 7 | Subtotal Commodity Purchased | | $ 321,799 | | 155,191 | | $ 2.074 | |
| 8 | Core Market Administration Costs | | 1,815 | | - | | | |
| 9 | Fuel Gas Provided to Midstream | | | | (5,789) | | | |
| 10 | **Total CCRA Baseload** | | | | **149,402** | | | |
| 11 | **Total CCRA Costs** | | **$ 323,614** | | | | **$ 2.166** | Commodity available for sale average unit cost |
| 12 | **MCRA** | | | | | | | |
| 13 | Midstream Commodity Related Costs | | | | | | | |
| 14 | Total Cost of Propane | $ 4,108 | | | | 323 | | |
| 15 | Propane Costs Recovered based on Commodity Rates | (692) | | | | (310) | | |
| 16 | Propane Costs to be Recovered via Midstream Rates | | $ 3,416 | | | | | |
| 17 | FEFN Supply Portfolio Costs | $ 1,251 | | | 498 | | | |
| 18 | FEFN Costs Recovered from Commodity Rates | (1,105) | | | (495) | | | |
| 19 | FEFN Costs to be Recovered via Midstream Rates | | 146 | | | | | |
| 20 | Midstream Natural Gas Costs before Hedging | | 74,986 | | 27,179 | | | |
| 21 | Hedging Cost / (Gain) | | - | | - | | | |
| 22 | Imbalance | | (1,578) | | (594) | | | |
| 23 | Company Use Gas Recovered from O&M | | (5,772) | | (703) | | | |
| 24 | Injections into Storage | $ (52,157) | | (29,689) | | | | |
| 25 | Withdrawals from Storage | 58,512 | | 30,712 | | | | |
| 26 | Storage Withdrawal / (Injection) Activity | | 6,355 | | 1,024 | | | |
| 27 | Total Midstream Commodity Related Costs | | $ 77,553 | | 26,908 | | | |
| 28 | Storage Related Costs | | | | | | | |
| 29 | Storage Demand - Third Party Storage | $ 46,162 | | | | | | |
| 30 | On-System Storage - Mt. Hayes (LNG) | 19,735 | | | | | | |
| 31 | Total Storage Related Costs | | 65,897 | | | | | |
| 32 | Transport Related Costs | | 230,869 | | | | | |
| 33 | Mitigation | | | | | | | |
| 34 | Commodity Mitigation | $ (85,244) | | | (33,261) | | | |
| 35 | Storage Mitigation | (3,067) | | | | | | |
| 36 | Transportation Mitigation | (92,214) | | | | | | |
| 37 | Total Mitigation | | (180,525) | | | | | |
| 38 | GSMIP Incentive Sharing | | 2,500 | | | | | |
| 39 | Core Market Administration Costs | | 4,235 | | | | | |
| 40 | Net Transportation Fuel [(a)] | | | 7,663 | | | | |
| 41 | UAF (Sales and T-Service) [(b)] | | | (1,310) | | | | |
| 42 | UAF & Net Transportation Fuel | | | | 6,353 | | | |
| 43 | Propane Own Use/UAF and FEFN Sales UAF | | | | | (13) | | |
| 44 | Net MCRA Commodity (Lines 27, 33 & 43) | | | | - | | | |
| 45 | **Total MCRA Costs** (Lines 27, 31, 32, 37, 38 & 39) | | **$ 200,529** | | | | **$ 1.221** | Midstream average unit cost |
| 46 | **Total Sales Quantities for RS1-RS7 & RS46 (Natural Gas & Propane)** | | | | **164,237** | | | Reference to Tab 2, Page 7, Line 1, Col. 10 |
| 47 | **Total Forecast Gas Costs** (Lines 11 & 45) | | $ 524,144 | | | | | Reference to Tab 1, Page 8, Line 11, Col. 3 |

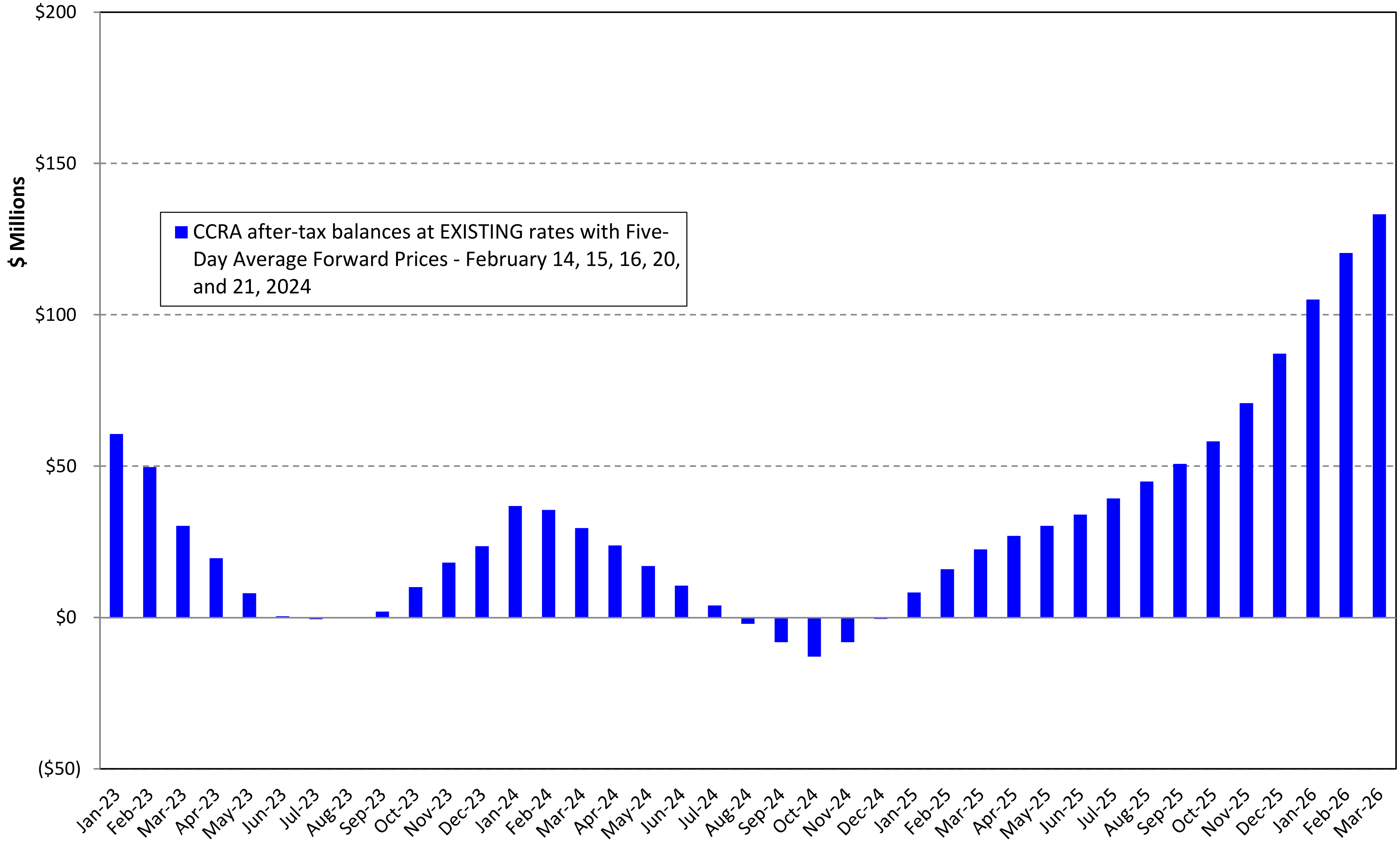
Notes: (a) Net Transportation Fuel is the difference between fuel gas collected from Commodity Providers and the fuel gas consumed.
(b) The total cost of UAF (Sales Rate Classes and T-Service) is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates. As the 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, AND FORT NELSON SERVICE AREAS**
**RECONCILIATION OF GAS COST INCURRED**
**FOR THE FORECAST PERIOD APR 2024 TO MAR 2025**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**
**$(Millions)**

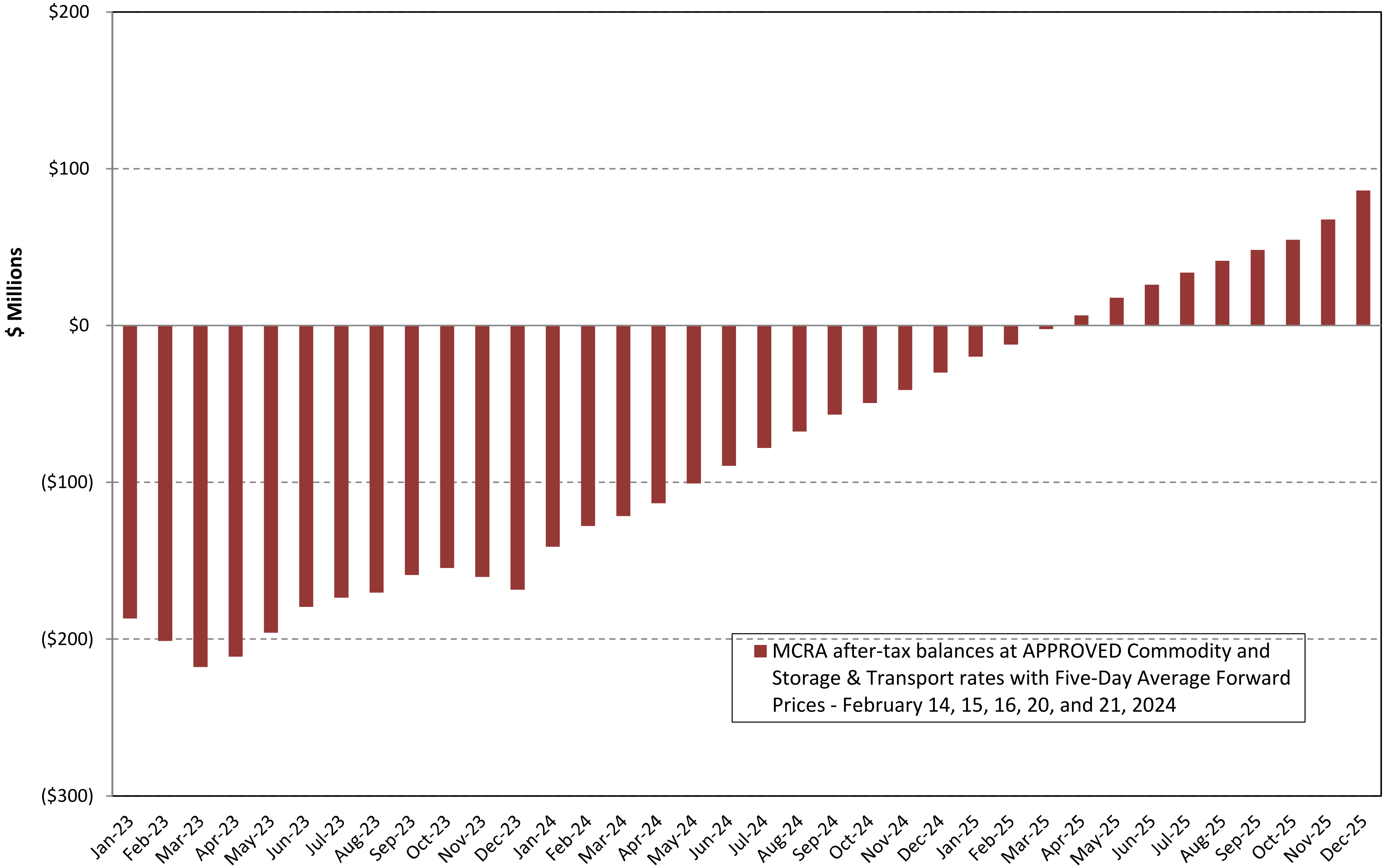
| Line | Particulars | CCRA / MCRA Deferral Account Forecast | Gas Budget Cost Summary | References |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| 1 | Gas Cost Incurred | | | |
| 2 | CCRA | $ 324 | | (Tab 1, Page 1, Col.14, Line 27 ) |
| 3 | MCRA | 201 | | (Tab 2, Page 7.1, Col.15, Line 36) |
| 4 | | | | |
| 5 | | | | |
| 6 | Gas Budget Cost Summary | | | |
| 7 | CCRA | | $ 324 | (Tab 1, Page 7, Col.3, Line 11) |
| 8 | MCRA | | 201 | (Tab 1, Page 7, Col.3, Line 45) |
| 9 | | | | |
| 10 | | | | |
| 11 | **Totals Reconciled** | $ 524 | $ 524 | |

Slight differences in totals due to rounding.

FortisBC Energy Inc. - Mainland and Vancouver Island, and Fort Nelson Service Areas
CCRA After-Tax Monthly Balances
Recorded to January 2024 and Forecast to March 2026



FortisBC Energy Inc. - Mainland and Vancouver Island, and Fort Nelson Service Areas
MCRA After-Tax Monthly Balances
Recorded to January 2024 and Forecast to December 2025



**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**CCRA INCURRED MONTHLY ACTIVITIES**
**RECORDED PERIOD TO JAN 2024 AND FORECAST TO MAR 2025**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**

| Line | (1) | | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | Recorded | **2023** |
| 2 | | | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | **Total** |
| 3 | **CCRA QUANTITIES** | | | | | | | | | | | | | | |
| 4 | Commodity Purchase | (TJ) | | | | | | | | | | | | | |
| 5 | STN 2 | | 9,837 | 8,889 | 9,842 | 10,206 | 9,785 | 8,666 | 9,750 | 9,747 | 9,430 | 9,748 | 9,415 | 9,730 | 115,045 |
| 6 | AECO | | 3,112 | 2,812 | 3,114 | 2,991 | 3,088 | 2,987 | 3,085 | 3,083 | 2,983 | 3,084 | 2,984 | 3,084 | 36,407 |
| 7 | Total Commodity Purchased | | 12,949 | 11,702 | 12,956 | 13,198 | 12,872 | 11,652 | 12,835 | 12,830 | 12,413 | 12,831 | 12,399 | 12,814 | 151,452 |
| 8 | Fuel Gas Provided to Midstream | | (501) | (453) | (501) | (482) | (497) | (481) | (497) | (496) | (480) | (496) | (463) | (478) | (5,825) |
| 9 | **Commodity Available for Sale** | | 12,448 | 11,249 | 12,454 | 12,716 | 12,375 | 11,172 | 12,338 | 12,334 | 11,933 | 12,335 | 11,937 | 12,336 | 145,627 |
| 10 | | | | | | | | | | | | | | | |
| 11 | **CCRA COSTS** | | | | | | | | | | | | | | |
| 12 | Commodity Costs | ($000) | | | | | | | | | | | | | |
| 13 | STN 2 | | $ 86,384 | $ 34,993 | $ 26,564 | $ 21,686 | $ 17,753 | $ 18,747 | $ 18,472 | $ 22,834 | $ 23,571 | $ 21,613 | $ 21,563 | $ 19,387 | $ 333,567 |
| 14 | AECO | | 15,164 | 9,653 | 8,505 | 7,662 | 6,520 | 6,328 | 6,382 | 7,583 | 7,536 | 7,099 | 7,679 | 7,207 | 97,320 |
| 15 | Commodity Costs before Hedging | | $ 101,548 | $ 44,646 | $ 35,070 | $ 29,348 | $ 24,273 | $ 25,075 | $ 24,854 | $ 30,417 | $ 31,108 | $ 28,712 | $ 29,242 | $ 26,594 | $ 430,886 |
| 16 | Hedging Cost / (Gain) | | (36,227) | (1,787) | 2,230 | 8,554 | 11,263 | 11,047 | 11,972 | 9,981 | 8,835 | 10,081 | 8,624 | 8,844 | 53,417 |
| 17 | Core Market Administration Costs | | 173 | 94 | 99 | 107 | 132 | 133 | 98 | 116 | 110 | 146 | 240 | 40 | 1,488 |
| 18 | **Total CCRA Costs** | | $ 65,494 | $ 42,954 | $ 37,398 | $ 38,009 | $ 35,668 | $ 36,254 | $ 36,924 | $ 40,514 | $ 40,053 | $ 38,940 | $ 38,106 | $ 35,478 | $ 485,791 |
| 19 | | | | | | | | | | | | | | | |
| 20 | | | | | | | | | | | | | | | |
| 21 | CCRA Unit Cost | ($/GJ) | $ 5.261 | $ 3.819 | $ 3.003 | $ 2.989 | $ 2.882 | $ 3.245 | $ 2.993 | $ 3.285 | $ 3.356 | $ 3.157 | $ 3.192 | $ 2.876 | $ 3.336 |
| 22 | | | | | | | | | | | | | | | |
| 23 | | | | | | | | | | | | | | | |
| 24 | | | | | | | | | | | | | | | |
| 25 | | | | | | | | | | | | | | | |

| Line | | | | | | |
|---|---|---|---|---|---|---|
| 26 | | | | | | **Jan-24 to** |
| 27 | | | Recorded | Projected | Projected | **Mar-24** |
| 28 | | | Jan-24 | Feb-24 | Mar-24 | **Total** |
| 29 | **CCRA QUANTITIES** | | | | | |
| 30 | Commodity Purchase | (TJ) | | | | |
| 31 | STN 2 | | 10,038 | 9,000 | 9,964 | 29,002 |
| 32 | AECO | | 3,410 | 2,905 | 3,217 | 9,532 |
| 33 | Total Commodity Purchased | | 13,448 | 11,905 | 13,181 | 38,534 |
| 34 | Fuel Gas Provided to Midstream | | (493) | (444) | (492) | (1,429) |
| 35 | **Commodity Available for Sale** | | 12,955 | 11,461 | 12,689 | 37,105 |
| 36 | | | | | | |
| 37 | **CCRA COSTS** | | | | | |
| 38 | Commodity Costs | ($000) | | | | |
| 39 | STN 2 | | $ 27,260 | $ 15,857 | $ 10,711 | $ 53,827 |
| 40 | AECO | | 8,781 | 6,423 | 5,165 | 20,369 |
| 41 | Commodity Costs before Hedging | | $ 36,041 | $ 22,280 | $ 15,876 | $ 74,196 |
| 42 | Hedging Cost / (Gain) | | 11,477 | 1,350 | 6,453 | 19,279 |
| 43 | Core Market Administration Costs | | 322 | 151 | 151 | 625 |
| 44 | **Total CCRA Costs** | | $ 47,839 | $ 23,781 | $ 22,480 | $ 94,100 |
| 45 | | | | | | |
| 46 | | | | | | |
| 47 | CCRA Unit Cost | ($/GJ) | $ 3.693 | $ 2.075 | $ 1.772 | $ 2.536 |

*Slight differences in totals due to rounding.*

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**CCRA INCURRED MONTHLY ACTIVITIES**
**FORECAST PERIOD FROM APR 2024 TO MAR 2026**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**

| Line No. | (1) | | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | **1-12 months** |
| 2 | | | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | **Total** |
| 3 | **CCRA QUANTITIES** | | | | | | | | | | | | | | |
| 4 | Commodity Purchase | (TJ) | | | | | | | | | | | | | |
| 5 | STN 2 | | 9,643 | 9,964 | 9,643 | 9,964 | 9,964 | 9,643 | 9,964 | 9,643 | 9,964 | 9,964 | 9,000 | 9,964 | 117,318 |
| 6 | AECO | | 3,113 | 3,217 | 3,113 | 3,217 | 3,217 | 3,113 | 3,217 | 3,113 | 3,217 | 3,217 | 2,905 | 3,217 | 37,873 |
| 7 | Total Commodity Purchased | | 12,755 | 13,181 | 12,755 | 13,181 | 13,181 | 12,755 | 13,181 | 12,755 | 13,181 | 13,181 | 11,905 | 13,181 | 155,191 |
| 8 | Fuel Gas Provided to Midstream | | (476) | (492) | (476) | (492) | (492) | (476) | (492) | (476) | (492) | (492) | (444) | (492) | (5,789) |
| 9 | **Commodity Available for Sale** | | 12,280 | 12,689 | 12,280 | 12,689 | 12,689 | 12,280 | 12,689 | 12,280 | 12,689 | 12,689 | 11,461 | 12,689 | 149,402 |
| 10 | | | | | | | | | | | | | | | |
| 11 | **CCRA COSTS** | ($000) | | | | | | | | | | | | | |
| 12 | Commodity Costs | | | | | | | | | | | | | | |
| 13 | STN 2 | | $ 8,148 | $ 7,189 | $ 7,123 | $ 7,524 | $ 8,189 | $ 7,674 | $ 10,281 | $ 23,428 | $ 28,407 | $ 30,051 | $ 26,782 | $ 26,759 | $ 191,556 |
| 14 | AECO | | 4,826 | 4,814 | 4,711 | 4,825 | 5,039 | 4,795 | 5,714 | 8,011 | 9,633 | 10,164 | 9,063 | 9,101 | 80,695 |
| 15 | Commodity Costs before Hedging | | $ 12,974 | $ 12,003 | $ 11,834 | $ 12,349 | $ 13,229 | $ 12,469 | $ 15,995 | $ 31,439 | $ 38,041 | $ 40,215 | $ 35,845 | $ 35,859 | $ 272,251 |
| 16 | Hedging Cost / (Gain) | | 6,397 | 6,843 | 6,559 | 6,835 | 6,557 | 6,448 | 5,675 | 2,286 | 617 | (65) | 92 | 1,304 | 49,548 |
| 17 | Core Market Administration Costs | | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 1,815 |
| 18 | **Total CCRA Costs** | | $ 19,522 | $ 18,997 | $ 18,544 | $ 19,336 | $ 19,937 | $ 19,068 | $ 21,821 | $ 33,876 | $ 38,809 | $ 40,302 | $ 36,088 | $ 37,314 | $ 323,614 |
| 19 | | | | | | | | | | | | | | | |
| 20 | | | | | | | | | | | | | | | |
| 21 | CCRA Unit Cost | ($/GJ) | $ 1.590 | $ 1.497 | $ 1.510 | $ 1.524 | $ 1.571 | $ 1.553 | $ 1.720 | $ 2.759 | $ 3.059 | $ 3.176 | $ 3.149 | $ 2.941 | $ 2.166 |
| 22 | | | | | | | | | | | | | | | |
| 23 | | | | | | | | | | | | | | | |
| 24 | | | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | **13-24 months** |
| 25 | | | Apr-25 | May-25 | Jun-25 | Jul-25 | Aug-25 | Sep-25 | Oct-25 | Nov-25 | Dec-25 | Jan-26 | Feb-26 | Mar-26 | **Total** |
| 26 | **CCRA QUANTITIES** | | | | | | | | | | | | | | |
| 27 | Commodity Purchase | (TJ) | | | | | | | | | | | | | |
| 28 | STN 2 | | 9,810 | 10,137 | 9,810 | 10,137 | 10,137 | 9,810 | 10,137 | 9,810 | 10,137 | 10,137 | 9,156 | 10,137 | 119,352 |
| 29 | AECO | | 3,167 | 3,272 | 3,167 | 3,272 | 3,272 | 3,167 | 3,272 | 3,167 | 3,272 | 3,272 | 2,956 | 3,272 | 38,530 |
| 30 | Total Commodity Purchased | | 12,977 | 13,409 | 12,977 | 13,409 | 13,409 | 12,977 | 13,409 | 12,977 | 13,409 | 13,409 | 12,112 | 13,409 | 157,883 |
| 31 | Fuel Gas Provided to Midstream | | (484) | (500) | (484) | (500) | (500) | (484) | (500) | (484) | (500) | (500) | (452) | (500) | (5,890) |
| 32 | **Commodity Available for Sale** | | 12,493 | 12,909 | 12,493 | 12,909 | 12,909 | 12,493 | 12,909 | 12,493 | 12,909 | 12,909 | 11,660 | 12,909 | 151,993 |
| 33 | | | | | | | | | | | | | | | |
| 34 | | | | | | | | | | | | | | | |
| 35 | **CCRA COSTS** | ($000) | | | | | | | | | | | | | |
| 36 | Commodity Costs | | | | | | | | | | | | | | |
| 37 | STN 2 | | $ 23,016 | $ 22,261 | $ 22,128 | $ 24,746 | $ 25,067 | $ 24,757 | $ 27,382 | $ 33,508 | $ 38,753 | $ 40,590 | $ 35,765 | $ 34,248 | $ 352,222 |
| 38 | AECO | | 8,546 | 8,339 | 8,259 | 9,141 | 9,245 | 9,107 | 9,991 | 11,258 | 12,966 | 13,559 | 11,957 | 11,511 | 123,879 |
| 39 | Commodity Costs before Hedging | | $ 31,562 | $ 30,600 | $ 30,386 | $ 33,887 | $ 34,312 | $ 33,864 | $ 37,373 | $ 44,767 | $ 51,719 | $ 54,149 | $ 47,722 | $ 45,759 | $ 476,100 |
| 40 | Hedging Cost / (Gain) | | 2,191 | 2,616 | 2,400 | 2,050 | 1,976 | 1,797 | 1,442 | 270 | (664) | (1,083) | (774) | 366 | 12,586 |
| 41 | Core Market Administration Costs | | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 1,815 |
| 42 | **Total CCRA Costs** | | $ 33,905 | $ 33,368 | $ 32,938 | $ 36,088 | $ 36,439 | $ 35,812 | $ 38,967 | $ 45,188 | $ 51,206 | $ 53,217 | $ 47,099 | $ 46,276 | $ 490,502 |
| 43 | | | | | | | | | | | | | | | |
| 44 | | | | | | | | | | | | | | | |
| 45 | CCRA Unit Cost | ($/GJ) | $ 2.714 | $ 2.585 | $ 2.637 | $ 2.796 | $ 2.823 | $ 2.867 | $ 3.019 | $ 3.617 | $ 3.967 | $ 4.122 | $ 4.039 | $ 3.585 | $ 3.227 |

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**COMMODITY COST RECONCILIATION ACCOUNT (CCRA)**
**COST OF GAS (COMMODITY COST RECOVERY CHARGE) FLOW-THROUGH**
**FOR THE FORECAST PERIOD APR 1, 2024 TO MAR 31, 2025**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**

| Line | Particulars | Unit | | RS-1 to RS-7 |
|---|---|---|---|---|
| | (1) | | | (2) |
| 1 | **CCRA Baseload** | TJ | | 149,402 |
| 2 | | | | |
| 3 | | | | |
| 4 | **CCRA Incurred Costs** | $000 | | |
| 5 | STN 2 | | $ | 191,556.1 |
| 6 | AECO | | | 80,695.0 |
| 7 | CCRA Commodity Costs before Hedging | | $ | 272,251.1 |
| 8 | Hedging Cost / (Gain) | | | 49,548.3 |
| 9 | Core Market Administration Costs | | | 1,815.0 |
| 10 | **Total Incurred Costs before CCRA deferral amortization** | | $ | 323,614.4 |
| 11 | | | | |
| 12 | Pre-tax CCRA Deficit / (Surplus) as of Apr 1, 2024 | | | 40,422.8 |
| 13 | **Total CCRA Incurred Costs** | | $ | 364,037.2 |
| 14 | | | | |
| 15 | | | | |
| 16 | **CCRA Incurred Unit Costs** | $/GJ | | |
| 17 | CCRA Commodity Costs before Hedging | | $ | 1.8223 |
| 18 | Hedging Cost / (Gain) | | | 0.3316 |
| 19 | Core Market Administration Costs | | | 0.0121 |
| 20 | Total Incurred Costs before CCRA deferral amortization | | $ | 2.1661 |
| 21 | Pre-tax CCRA Deficit / (Surplus) as of Apr 1, 2024 | | | 0.2706 |
| 22 | **CCRA Gas Costs Incurred -- Flow-Through** | | $ | 2.4366 |
| 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 Apr 1, 2024** [(a)] | | **$** | **2.437** |
| 32 | | | | |
| 33 | Existing Cost of Gas (effective since Oct 1, 2023) | | $ | 2.230 |
| 34 | | | | |
| 35 | **Tested Cost of Gas Increase / (Decrease)** | $/GJ | $ | 0.207 |
| 36 | | | | |
| 37 | Tested Cost of Gas Percentage Increase / (Decrease) | | | 9.28% |

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA**
**MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2023**

| Line | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Recorded Jan-23 | Recorded Feb-23 | Recorded Mar-23 | Recorded Apr-23 | Recorded May-23 | Recorded Jun-23 | Recorded Jul-23 | Recorded Aug-23 | Recorded Sep-23 | Recorded Oct-23 | Recorded Nov-23 | Recorded Dec-23 | **2023 Total** |
| 1 | **MCRA COSTS** | ($000) | | | | | | | | | | | | | |
| 2 | Midstream Commodity Related Costs | | | | | | | | | | | | | | |
| 3 | Propane Available for Sale - Purchase & Inventory Change | | $ 663.9 | $ 614.8 | $ 481.7 | $ 299.5 | $ 105.0 | $ 86.1 | $ 79.3 | $ 93.5 | $ 112.1 | $ 125.5 | $ 462.9 | $ 409.8 | $ 3,534.0 |
| 4 | Propane Costs Recoveies via Commodity Rates | | (177.8) | (195.5) | (179.3) | (86.6) | (76.8) | (29.9) | (21.6) | (26.1) | (33.2) | (32.7) | (68.2) | (97.0) | (1,024.8) |
| 5 | Propane Costs to be Recovered via Midstream Rates | | $ 486.1 | $ 419.2 | $ 302.4 | $ 212.8 | $ 28.2 | $ 56.2 | $ 57.7 | $ 67.4 | $ 79.0 | $ 92.7 | $ 394.7 | $ 312.8 | $ 2,509.2 |
| 6 | FEFN Supply Portfolio Costs | | $ 308.6 | $ 113.5 | $ 194.5 | $ 65.5 | $ 29.9 | $ 25.9 | $ 17.1 | $ 18.7 | $ 35.8 | $ 83.8 | $ 155.6 | $ 185.1 | $ 1,234.1 |
| 7 | FEFN Costs Recovered from Commodity Rates | | (191.2) | (433.1) | (341.7) | (139.6) | (230.8) | (53.0) | (20.6) | (15.7) | (40.2) | (59.1) | (118.5) | (179.9) | (1,823.4) |
| 8 | FEFN Costs to be Recovered via Midstream Rates | | $ 117.4 | $ (319.6) | $ (147.2) | $ (74.1) | $ (200.9) | $ (27.2) | $ (3.4) | $ 3.0 | $ (4.4) | $ 24.7 | $ 37.1 | $ 5.2 | $ (589.3) |
| 9 | Midstream Natural Gas Costs before Hedging [(a)] | | $ 29,361.4 | $ 22,374.6 | $ 16,178.5 | $ 3,380.0 | $ 642.4 | $ 1,248.7 | $ 543.6 | $ 2,651.2 | $ 1,599.0 | $ 4,264.7 | $ 13,553.7 | $ 13,130.9 | $ 108,928.8 |
| 10 | Imbalance [(b)] | $ 3,099.6 | 2,089.3 | (4,008.0) | 515.2 | (605.5) | 23.3 | (212.5) | (3.0) | 1.3 | 44.2 | 283.1 | 509.5 | 3.9 | (1,359.3) |
| 11 | Company Use Gas Recovered from O&M | | (577.5) | (399.8) | (316.8) | (105.3) | 79.8 | 26.9 | 28.2 | 60.6 | (14.0) | (22.1) | (177.9) | (448.7) | (1,866.6) |
| 12 | Storage Withdrawal / (Injection) Activity [(c)] | | 21,376.5 | 24,612.9 | 24,127.1 | 10,851.2 | (10,275.2) | (9,440.6) | (11,828.4) | (12,209.7) | (8,702.6) | (5,166.2) | 7,429.5 | 10,482.2 | 41,256.8 |
| 13 | Total Midstream Commodity Related Costs | | $ 52,853.2 | $ 42,679.4 | $ 40,659.2 | $ 13,659.1 | $ (9,702.4) | $ (8,348.4) | $ (11,205.3) | $ (9,426.2) | $ (6,998.8) | $ (523.2) | $ 21,746.5 | $ 23,486.4 | $ 148,879.5 |
| 14 | | | | | | | | | | | | | | | |
| 15 | Storage Related Costs | | | | | | | | | | | | | | |
| 16 | Storage Demand - Third Party Storage | | $ 2,617.8 | $ 2,590.3 | $ 2,613.8 | $ 3,010.2 | $ 4,473.8 | $ 4,430.9 | $ 4,521.6 | $ 4,603.0 | $ 4,452.2 | $ 4,473.9 | $ 2,969.8 | $ 2,975.0 | $ 43,732.3 |
| 17 | On-System Storage - Mt. Hayes (LNG) | | 1,661.1 | 1,554.3 | 1,638.5 | 1,668.3 | 1,705.9 | 1,706.7 | 1,542.4 | 1,529.9 | 1,577.7 | 1,861.0 | 1,856.9 | 1,523.3 | 19,826.2 |
| 18 | Total Storage Related Costs | | $ 4,278.9 | $ 4,144.7 | $ 4,252.3 | $ 4,678.6 | $ 6,179.7 | $ 6,137.6 | $ 6,064.0 | $ 6,133.0 | $ 6,029.9 | $ 6,334.9 | $ 4,826.7 | $ 4,498.3 | $ 63,558.4 |
| 19 | | | | | | | | | | | | | | | |
| 20 | Transportation Related Costs | | | | | | | | | | | | | | |
| 21 | Enbridge (BC Pipeline) - Westcoast Energy | | $ 18,234.5 | $ 18,018.0 | $ 17,483.7 | $ 14,429.6 | $ 14,103.2 | $ 13,403.2 | $ 13,855.4 | $ 14,078.9 | $ 13,987.4 | $ 14,254.4 | $ 18,027.2 | $ 18,196.2 | $ 188,071.5 |
| 22 | TC Energy (Foothills BC) | | 475.9 | 476.4 | 479.7 | 360.0 | 375.3 | 353.8 | 340.0 | 345.9 | 349.6 | 356.0 | 468.5 | 476.4 | 4,857.4 |
| 23 | TC Energy (NOVA Alta) | | 1,125.3 | 1,167.3 | 1,116.1 | 1,187.6 | 1,125.8 | 1,088.2 | 1,076.4 | 1,081.4 | 1,084.9 | 1,091.5 | 1,091.5 | 1,091.5 | 13,327.6 |
| 24 | Northwest Pipeline | | 822.1 | (822.5) | 858.1 | 371.6 | 379.9 | 364.2 | 368.8 | 378.3 | 369.4 | 391.2 | 798.4 | 786.2 | 5,065.7 |
| 25 | FortisBC Huntingdon Inc. | | 10.1 | 10.1 | 10.1 | 10.1 | 10.1 | 10.1 | 10.1 | 10.1 | 10.1 | 10.1 | 11.2 | 11.2 | 123.8 |
| 26 | Southern Crossing Pipeline | | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 13,284.1 |
| 27 | Total Transportation Related Costs | | $ 21,775.0 | $ 19,956.2 | $ 21,054.7 | $ 17,466.0 | $ 17,101.3 | $ 16,326.4 | $ 16,757.7 | $ 17,001.6 | $ 16,908.5 | $ 17,210.4 | $ 21,503.8 | $ 21,668.6 | $ 224,730.2 |
| 28 | | | | | | | | | | | | | | | |
| 29 | Mitigation | | | | | | | | | | | | | | |
| 30 | Commodity Related Mitigation | | $ (40,304.5) | $ (8,498.3) | $ (18,531.9) | $ (3,364.4) | $ (7,407.9) | $ (5,985.6) | $ (12,206.9) | $ (16,244.2) | $ (11,172.5) | $ (8,231.9) | $ (5,680.3) | $ (12,160.6) | $ (149,788.9) |
| 31 | Storage Related Mitigation | | (1,204.2) | (122.2) | (5,474.9) | 3,479.1 | 818.0 | (343.0) | 101.7 | (1,440.4) | (140.3) | 2,370.4 | (4,574.9) | 106.6 | (6,424.3) |
| 32 | Transportation Related Mitigation | | (36,905.7) | (8,844.2) | (13,276.9) | (9,934.4) | (6,829.6) | (6,425.0) | (14,818.1) | (15,323.6) | (7,409.0) | (6,804.1) | (13,391.9) | (7,816.2) | (147,778.8) |
| 33 | Total Mitigation | | $ (78,414.5) | $ (17,464.7) | $ (37,283.7) | $ (9,819.7) | $ (13,419.6) | $ (12,753.7) | $ (26,923.2) | $ (33,008.2) | $ (18,721.9) | $ (12,665.7) | $ (23,647.1) | $ (19,870.2) | $ (303,992.1) |
| 34 | | | | | | | | | | | | | | | |
| 35 | GSMIP Incentive Sharing | | $ 1,622.5 | $ 1,323.1 | $ 871.7 | $ 476.8 | $ 387.0 | $ 261.1 | $ 329.2 | $ 501.5 | $ 197.6 | $ 188.0 | $ 626.6 | $ 603.6 | $ 7,388.6 |
| 36 | | | | | | | | | | | | | | | |
| 37 | Core Market Administration Costs | | $ 402.8 | $ 220.3 | $ 230.7 | $ 250.7 | $ 307.5 | $ 309.3 | $ 228.2 | $ 271.1 | $ 256.7 | $ 341.2 | $ 559.7 | $ 93.5 | $ 3,471.7 |
| 38 | **TOTAL MCRA COSTS** (Line 13, 18, 27, 33, 35 & 37) | ($000) | $ 2,517.9 | $ 50,858.9 | $ 29,784.9 | $ 26,711.4 | $ 853.5 | $ 1,932.3 | $ (14,749.4) | $ (18,527.3) | $ (2,328.1) | $ 10,885.6 | $ 25,616.2 | $ 30,480.3 | $ 144,036.4 |

Notes:

(a) The total cost of UAF is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

(b) Imbalance is composed of two components, Enbridge imbalance (difference between Enbridge metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").
The 2023 opening balance reflects FEI owed Enbridge / Transportation Marketers 481 TJ of gas valued at $3,099K. As imbalance amounts can be either a debit or credit value, and typically remain within a narrow range, FEI does not forecast future imbalance amounts.

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

Slight difference in totals due to rounding.

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA**

**MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2024**

**FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**



| Line | (1) | (2) Opening balance | (3) Recorded Jan-24 | (4) Projected Feb-24 | (5) Projected Mar-24 | (6) Forecast Apr-24 | (7) Forecast May-24 | (8) Forecast Jun-24 | (9) Forecast Jul-24 | (10) Forecast Aug-24 | (11) Forecast Sep-24 | (12) Forecast Oct-24 | (13) Forecast Nov-24 | (14) Forecast Dec-24 | (15) 2024 Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | **MCRA COSTS** ($000) | | | | | | | | | | | | | | |
| 2 | Midstream Commodity Related Costs | | | | | | | | | | | | | | |
| 3 | Propane Available for Sale - Purchase & Inventory Change | | $ 797.4 | $ 616.6 | $ 476.4 | $ 283.4 | $ 168.2 | $ 130.5 | $ 123.6 | $ 119.6 | $ 140.2 | $ 294.4 | $ 440.5 | $ 644.0 | $ 4,234.8 |
| 4 | Propane Cost Recoveries via Commodity Rates | | (112.5) | (95.8) | (77.7) | (47.4) | (29.9) | (24.0) | (22.9) | (21.7) | (25.2) | (50.3) | (74.1) | (104.6) | (686.0) |
| 5 | Propane Costs to be Recovered via Midstream Rates | | $ 684.9 | $ 520.8 | $ 398.7 | $ 236.0 | $ 138.3 | $ 106.5 | $ 100.7 | $ 98.0 | $ 115.0 | $ 244.1 | $ 366.3 | $ 539.4 | $ 3,548.8 |
| 6 | FEFN Supply Portfolio Costs | | $ 422.3 | $ 172.2 | $ 144.4 | $ 66.3 | $ 31.5 | $ 17.1 | $ 13.3 | $ 16.4 | $ 28.4 | $ 71.8 | $ 161.1 | $ 239.5 | $ 1,384.5 |
| 7 | FEFN Costs Recovered from Commodity Rates | | (203.6) | (157.7) | (133.5) | (80.2) | (40.2) | (20.8) | (14.9) | (18.5) | (34.3) | (79.8) | (138.0) | (192.3) | (1,114.0) |
| 8 | FEFN Costs to be Recovered via Midstream Rates | | $ 218.7 | $ 14.5 | $ 10.9 | $ (13.9) | $ (8.7) | $ (3.7) | $ (1.6) | $ (2.1) | $ (5.9) | $ (8.0) | $ 23.1 | $ 47.2 | $ 270.5 |
| 9 | Midstream Natural Gas Costs before Hedging [a] | | $ 32,858.5 | $ 11,257.9 | $ 5,944.2 | $ 165.4 | $ 147.1 | $ 145.2 | $ 154.1 | $ 165.3 | $ 155.8 | $ 200.6 | $ 11,539.1 | $ 16,385.8 | $ 79,119.0 |
| 10 | Imbalance [b] | $ 1,740.3 | (84.0) | - | - | - | - | - | - | - | - | - | - | (1,578.2) | (1,662.2) |
| 11 | Company Use Gas Recovered from O&M | | (560.0) | (824.8) | (702.1) | (490.9) | (275.1) | (243.7) | (185.4) | (123.6) | (172.4) | (257.8) | (552.7) | (897.1) | (5,285.5) |
| 12 | Storage Withdrawal / (Injection) Activity [c] | | 22,134.7 | 17,924.9 | 14,529.7 | 1,722.9 | (7,080.6) | (10,461.2) | (9,232.2) | (8,950.7) | (9,053.1) | (2,427.0) | 5,894.1 | 11,568.6 | 26,570.3 |
| 13 | Total Midstream Commodity Related Costs | | $ 55,252.8 | $ 28,893.4 | $ 20,181.4 | $ 1,619.6 | $ (7,078.9) | $ (10,456.9) | $ (9,164.3) | $ (8,813.1) | $ (8,960.6) | $ (2,248.2) | $ 17,270.0 | $ 26,065.8 | $ 102,560.9 |
| 14 | | | | | | | | | | | | | | | |
| 15 | Storage Related Costs | | | | | | | | | | | | | | |
| 16 | Storage Demand - Third Party Storage | | $ 3,014.4 | $ 3,075.0 | $ 3,087.7 | $ 2,731.0 | $ 4,206.6 | $ 4,555.9 | $ 4,553.5 | $ 4,549.5 | $ 4,541.6 | $ 4,248.6 | $ 3,433.2 | $ 3,448.1 | $ 45,445.1 |
| 17 | On-System Storage - Mt. Hayes (LNG) | | 1,682.1 | 1,559.9 | 1,547.6 | 1,624.7 | 1,539.6 | 1,890.4 | 1,598.1 | 1,507.2 | 1,667.8 | 1,520.0 | 1,807.8 | 1,849.6 | 19,794.8 |
| 18 | Total Storage Related Costs | | $ 4,696.6 | $ 4,634.9 | $ 4,635.2 | $ 4,355.7 | $ 5,746.2 | $ 6,446.4 | $ 6,151.6 | $ 6,056.7 | $ 6,209.4 | $ 5,768.6 | $ 5,241.0 | $ 5,297.7 | $ 65,239.9 |
| 19 | | | | | | | | | | | | | | | |
| 20 | Transportation Related Costs | | | | | | | | | | | | | | |
| 21 | Enbridge (BC Pipeline) - Westcoast Energy | | $ 18,950.9 | $ 16,856.4 | $ 16,983.3 | $ 14,599.1 | $ 14,344.9 | $ 14,343.3 | $ 14,544.4 | $ 14,605.7 | $ 14,532.2 | $ 14,679.1 | $ 17,493.2 | $ 17,497.1 | $ 189,429.7 |
| 22 | TC Energy (Foothills BC) | | 772.6 | 772.6 | 772.6 | 582.2 | 582.2 | 582.2 | 582.2 | 582.2 | 582.2 | 582.2 | 772.6 | 772.6 | 7,938.6 |
| 23 | TC Energy (NOVA Alta) | | 1,080.9 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 12,960.5 |
| 24 | Northwest Pipeline | | 885.8 | 798.6 | 847.9 | 443.7 | 451.0 | 457.3 | 470.8 | 466.8 | 446.9 | 436.4 | 784.2 | 830.4 | 7,319.8 |
| 25 | FortisBC Huntingdon Inc. | | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 134.9 |
| 26 | Southern Crossing Pipeline | | 1,110.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 13,287.1 |
| 27 | Total Transportation Related Costs | | $ 22,811.4 | $ 20,625.8 | $ 20,802.1 | $ 17,823.2 | $ 17,576.4 | $ 17,581.0 | $ 17,795.7 | $ 17,853.0 | $ 17,759.5 | $ 17,895.9 | $ 21,248.3 | $ 21,298.3 | $ 231,070.6 |
| 28 | | | | | | | | | | | | | | | |
| 29 | Mitigation | | | | | | | | | | | | | | |
| 30 | Commodity Related Mitigation | | $ (9,563.5) | $ (6,385.7) | $ (7,708.6) | $ (1,946.3) | $ (1,677.7) | $ (1,671.7) | $ (7,097.9) | $ (9,020.5) | $ (4,447.0) | $ (2,165.2) | $ (12,411.7) | $ (5,345.7) | $ (69,441.6) |
| 31 | Storage Related Mitigation | | (1,076.5) | (305.2) | (267.0) | (228.9) | (228.9) | (343.3) | (91.6) | (152.6) | (152.6) | (305.2) | (305.2) | (267.0) | (3,723.8) |
| 32 | Transportation Related Mitigation | | (9,154.1) | (4,187.5) | (5,234.4) | (7,826.0) | (7,808.0) | (11,995.5) | (11,995.5) | (11,995.5) | (11,995.5) | (10,948.7) | (4,187.5) | (2,093.8) | (99,422.1) |
| 33 | Total Mitigation | | $ (19,794.0) | $ (10,878.4) | $ (13,210.0) | $ (10,001.3) | $ (9,714.6) | $ (14,010.6) | $ (19,185.0) | $ (21,168.6) | $ (16,595.1) | $ (13,419.1) | $ (16,904.4) | $ (7,706.5) | $ (172,587.5) |
| 34 | | | | | | | | | | | | | | | |
| 35 | GSMIP Incentive Sharing | | $ 826.8 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 3,118.4 |
| 36 | | | | | | | | | | | | | | | |
| 37 | Core Market Administration Costs | | $ 751.5 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 4,633.6 |
| 38 | **TOTAL MCRA COSTS** (Line 13, 18, 27, 33, 35 & 37) ($000) | | $ 64,545.1 | $ 43,837.0 | $ 32,969.9 | $ 14,358.5 | $ 7,090.3 | $ 121.1 | $ (3,840.7) | $ (5,510.9) | $ (1,025.6) | $ 8,558.5 | $ 27,416.2 | $ 45,516.5 | $ 234,036.0 |

Notes:

(a) The total cost of UAF is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

(b) Imbalance is composed of two components, Enbridge imbalance (difference between Enbridge metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").
The 2024 opening balance reflects FEI owed Enbridge / Transportation Marketers 840 TJ of gas valued at $1,740K. As imbalance amounts can be either a debit or credit value, and typically remain within a narrow range, FEI does not forecast future imbalance amounts.

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

Slight difference in totals due to rounding.

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2025**
**FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**

| Line | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Opening balance | Forecast Jan-25 | Forecast Feb-25 | Forecast Mar-25 | Forecast Apr-25 | Forecast May-25 | Forecast Jun-25 | Forecast Jul-25 | Forecast Aug-25 | Forecast Sep-25 | Forecast Oct-25 | Forecast Nov-25 | Forecast Dec-25 | **2025 Total** |
| 1 | **MCRA COSTS** ($000) | | | | | | | | | | | | | | |
| 2 | Midstream Commodity Related Costs | | | | | | | | | | | | | | |
| 3 | Propane Available for Sale - Purchase & Inventory Change | | $ 689.4 | $ 614.7 | $ 459.1 | $ 226.4 | $ 149.4 | $ 119.7 | $ 113.9 | $ 108.7 | $ 129.3 | $ 267.3 | $ 400.1 | $ 570.3 | $ 3,848.3 |
| 4 | Propane Cost Recoveries via Commodity Rates | | (111.2) | (99.6) | (80.9) | (49.4) | (31.2) | (25.1) | (23.9) | (22.7) | (26.3) | (52.4) | (77.1) | (108.6) | (708.4) |
| 5 | Propane Costs to be Recovered via Midstream Rates | | $ 578.2 | $ 515.1 | $ 378.2 | $ 177.0 | $ 118.3 | $ 94.6 | $ 90.0 | $ 86.0 | $ 103.0 | $ 215.0 | $ 323.0 | $ 461.6 | $ 3,139.9 |
| 6 | FEFN Supply Portfolio Costs | | 252.3 | 196.5 | 156.6 | 94.3 | 46.6 | 25.8 | 20.1 | 24.5 | 44.2 | 103.6 | 212.0 | 315.1 | 1,491.7 |
| 7 | FEFN Costs Recovered from Commodity Rates | | (197.8) | (155.8) | (131.9) | (79.2) | (39.7) | (20.6) | (14.8) | (18.4) | (34.0) | (78.8) | (136.1) | (189.9) | (1,097.1) |
| 8 | FEFN Costs to be Recovered via Midstream Rates | | $ 54.5 | $ 40.7 | $ 24.8 | $ 15.1 | $ 6.8 | $ 5.3 | $ 5.3 | $ 6.1 | $ 10.2 | $ 24.8 | $ 75.8 | $ 125.2 | $ 394.6 |
| 9 | Midstream Natural Gas Costs before Hedging [(a)] | | $ 17,320.8 | $ 15,438.9 | $ 13,167.7 | $ (170.8) | $ (167.4) | $ (165.5) | $ (182.2) | $ (184.2) | $ (181.2) | $ (198.0) | $ 15,300.7 | $ 20,890.8 | $ 80,869.7 |
| 10 | Imbalance [(b)] | $ - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | Company Use Gas Recovered from O&M | | (1,046.2) | (824.8) | (702.1) | (490.9) | (275.1) | (243.7) | (185.4) | (123.6) | (172.4) | (257.8) | (552.7) | (897.1) | (5,771.7) |
| 12 | Storage Withdrawal / (Injection) Activity [(c)] | | 12,405.5 | 12,027.2 | 9,941.2 | (980.4) | (10,806.2) | (16,464.3) | (15,488.5) | (14,912.8) | (15,231.0) | (4,639.4) | 9,067.0 | 17,181.3 | (17,900.3) |
| 13 | Total Midstream Commodity Related Costs | | $ 29,312.8 | $ 27,197.1 | $ 22,809.8 | $ (1,449.9) | $ (11,123.5) | $ (16,773.7) | $ (15,760.9) | $ (15,128.4) | $ (15,471.3) | $ (4,855.5) | $ 24,213.9 | $ 37,761.9 | $ 60,732.2 |
| 14 | | | | | | | | | | | | | | | |
| 15 | Storage Related Costs | | | | | | | | | | | | | | |
| 16 | Storage Demand - Third Party Storage | | $ 3,450.1 | $ 3,219.9 | $ 3,223.9 | $ 2,735.0 | $ 4,244.6 | $ 4,619.1 | $ 4,618.0 | $ 4,613.0 | $ 4,605.7 | $ 4,280.3 | $ 3,429.8 | $ 3,445.0 | $ 46,484.2 |
| 17 | On-System Storage - Mt. Hayes (LNG) | | 1,622.3 | 1,559.9 | 1,547.6 | 1,624.7 | 1,539.6 | 1,890.4 | 1,598.1 | 1,507.2 | 1,667.8 | 1,520.0 | 1,807.8 | 1,849.6 | 19,734.9 |
| 18 | Total Storage Related Costs | | $ 5,072.4 | $ 4,779.8 | $ 4,771.4 | $ 4,359.7 | $ 5,784.1 | $ 6,509.5 | $ 6,216.1 | $ 6,120.2 | $ 6,273.5 | $ 5,800.2 | $ 5,237.6 | $ 5,294.5 | $ 66,219.1 |
| 19 | | | | | | | | | | | | | | | |
| 20 | Transportation Related Costs | | | | | | | | | | | | | | |
| 21 | Enbridge (BC Pipeline) - Westcoast Energy | | $ 17,686.5 | $ 17,358.6 | $ 17,565.4 | $ 14,845.4 | $ 14,594.5 | $ 14,592.8 | $ 14,791.5 | $ 14,852.0 | $ 14,779.4 | $ 14,924.5 | $ 17,779.3 | $ 17,783.1 | $ 191,553.0 |
| 22 | TC Energy (Foothills BC) | | 788.1 | 788.1 | 788.1 | 593.9 | 593.9 | 593.9 | 593.9 | 593.9 | 593.9 | 593.9 | 788.1 | 788.1 | 8,097.4 |
| 23 | TC Energy (NOVA Alta) | | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 12,959.6 |
| 24 | Northwest Pipeline | | 830.4 | 803.3 | 834.7 | 442.2 | 445.7 | 454.9 | 465.4 | 465.4 | 445.7 | 435.2 | 782.1 | 832.3 | 7,237.1 |
| 25 | FortisBC Huntingdon Inc. | | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 134.9 |
| 26 | Southern Crossing Pipeline | | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 13,284.1 |
| 27 | Total Transportation Related Costs | | $ 21,503.2 | $ 21,148.2 | $ 21,386.4 | $ 18,079.7 | $ 17,832.2 | $ 17,839.8 | $ 18,049.0 | $ 18,109.5 | $ 18,017.1 | $ 18,151.7 | $ 21,547.6 | $ 21,601.7 | $ 233,266.1 |
| 28 | | | | | | | | | | | | | | | |
| 29 | Mitigation | | | | | | | | | | | | | | |
| 30 | Commodity Related Mitigation | | $ (7,623.0) | $ (13,848.3) | $ (17,988.7) | $ (2,255.8) | $ (2,857.1) | $ (1,682.7) | $ (7,958.4) | $ (9,008.8) | $ (5,799.3) | $ (3,034.5) | $ (14,404.9) | $ (7,656.0) | $ (94,117.6) |
| 31 | Storage Related Mitigation | | (343.3) | (343.3) | (305.2) | (228.9) | (228.9) | (343.3) | (91.6) | (152.6) | (152.6) | (305.2) | (305.2) | (267.0) | (3,067.0) |
| 32 | Transportation Related Mitigation | | (4,059.9) | (3,247.9) | (4,059.9) | (6,161.3) | (6,161.3) | (9,409.2) | (9,409.2) | (9,409.2) | (9,409.2) | (8,597.2) | (3,247.9) | (1,624.0) | (74,795.9) |
| 33 | Total Mitigation | | $ (12,026.2) | $ (17,439.5) | $ (22,353.7) | $ (8,645.9) | $ (9,247.3) | $ (11,435.1) | $ (17,459.1) | $ (18,570.6) | $ (15,361.1) | $ (11,936.8) | $ (17,958.0) | $ (9,547.0) | $ (171,980.4) |
| 34 | | | | | | | | | | | | | | | |
| 35 | GSMIP Incentive Sharing | | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 2,500.0 |
| 36 | | | | | | | | | | | | | | | |
| 37 | Core Market Administration Costs | | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 4,235.0 |
| 38 | **TOTAL MCRA COSTS** (Line 13, 18, 27, 33, 35 & 37) ($000) | | $ 44,423.3 | $ 36,246.9 | $ 27,175.2 | $ 12,904.8 | $ 3,806.8 | $ (3,298.3) | $ (8,393.7) | $ (8,908.0) | $ (5,980.5) | $ 7,720.9 | $ 33,602.3 | $ 55,672.3 | $ 194,972.0 |

Notes:

(a) The total cost of UAF is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

(b) Imbalance is composed of two components, Enbridge imbalance (difference between Enbridge metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").

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

Slight difference in totals due to rounding.

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**STORAGE AND TRANSPORT RELATED CHARGES FLOW-THROUGH BY RATE SCHEDULE**
**FOR THE FORECAST PERIOD APR 2024 TO MAR 2025**
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**

| Line | Particulars | Unit | Residential RS-1 | Residential FEFN RS-1 | Commercial RS-2 | Commercial FEFN RS-2 | Commercial RS-3 | Commercial FEFN RS-3 | General Firm RS-5 | NGV RS-6 | Total MCRA Gas Costs | For Information Only: Seasonal RS-4 | For Information Only: General Interruptible RS-7 | For Information Only: LNG (Sales) RS-46 | For Information Only: Term & Spot Gas Sales RS-14A | For Information Only: Off-System Interruptible Sales RS-30 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | (1) | | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
| | | | | | | | | | (d), (e) | | | | | | | |
| 1 | **MCRA Sales Quantity** (Natural Gas & Propane) | TJ | 83,461.1 | 233.3 | 29,544.2 | 158.4 | 26,914.7 | 103.7 | 23,802.8 | 18.8 | *164,237.0* | 178.1 | 6,719.0 | 334.0 | - | 28,227.0 |
| 2 | | | | | | | | | | | | | | | | |
| 3 | **Load Factor Adjusted Quantity** | | | | | | | | | | | | | | | |
| 4 | Load Factor [(a)] | % | 31.3% | 31.3% | 30.4% | 30.4% | 36.0% | 36.0% | 53.6% | 100.0% | | | | | | |
| 5 | Load Factor Adjusted Quantity | TJ | 266,855.2 | 37.3 | 97,216.2 | 26.1 | 74,693.8 | 14.4 | 44,408.3 | 18.8 | *483,270.0* | | | | | |
| 6 | Load Factor Adjusted Volumetric Allocation | % | 55.219% | 0.008% | 20.116% | 0.005% | 15.456% | 0.003% | 9.189% | 0.004% | 100.000% | | | | | |
| 7 | | | | | | | | | | | | | | | | |
| 8 | **MCRA Cost of Gas - Load Factor Adjusted Allocation** | | | | | | | | | | | | | | | |
| 9 | Midstream Commodity Related Costs (Net of Mitigation) | $000 | $ (4,581.0) | $ (0.6) | $ (1,668.9) | $ (0.4) | $ (1,282.3) | $ (0.2) | $ (762.3) | $ (0.3) | **$ (8,296.2)** | | | | | |
| 10 | Storage Related Costs (Net of Mitigation) | $000 | 34,693.8 | 4.9 | 12,639.1 | 3.4 | 9,710.9 | 1.9 | 5,773.5 | 2.4 | **62,829.8** | | | | | |
| 11 | Transportation Related Costs (Net of Mitigation) | $000 | 76,563.6 | 10.7 | 27,892.4 | 7.5 | 21,430.4 | 4.1 | 12,741.2 | 5.4 | **138,655.3** | | | | | |
| 12 | GSMIP Incentive Sharing | $000 | 1,380.5 | 0.2 | 502.9 | 0.1 | 386.4 | 0.1 | 229.7 | 0.1 | **2,500.0** | | | | | |
| 13 | Core Market Administration Costs - MCRA 70% | $000 | 2,338.5 | 0.3 | 851.9 | 0.2 | 654.6 | 0.1 | 389.2 | 0.2 | **4,235.0** | | | | | |
| 14 | **Total Midstream Cost of Gas Allocated by Rate Class** | $000 | $ 110,395.3 | $ 15.4 | $ 40,217.4 | $ 10.8 | $ 30,900.1 | $ 6.0 | $ 18,371.2 | $ 7.8 | **$ 199,923.9** | | | | | |
| 15 | T-Service UAF to be recovered via delivery revenues [(b)] | | | | | | | | | | 605.5 | | | | | |
| 16 | **Total MCRA Gas Costs** [(c)] | | | | | | | | | | $ 200,529.4 | | | | | |
| 17 | **1/2 of Pre-Tax Amort. MCRA Deficit/(Surplus) as of Apr 1, 2024** | $000 | $ (45,971.7) | $ (6.4) | $ (16,747.6) | $ (4.5) | $ (12,867.6) | $ (2.5) | $ (7,650.3) | $ (3.2) | **$ (83,253.9)** | | | | | |
| 18 | | | | | | | | | | | | | | | | |
| 19 | | | | | | | | | | | **Average** | | | | | |
| 20 | **MCRA Cost of Gas Unitized** | | | | | | | | | | **Costs** | | | | | |
| 21 | **MCRA Flow-Through Costs before MCRA deferral amortization** | $/GJ | $ 1.3227 | $ 0.0662 | $ 1.3613 | $ 0.0680 | $ 1.1481 | $ 0.0574 | $ 0.7718 | $ 0.4140 | $ 1.2173 | | | | | |
| 22 | **MCRA Deferral Amortization via Rate Rider 6** | $/GJ | $ (0.5508) | $ (0.0276) | $ (0.5669) | $ (0.0283) | $ (0.4781) | $ (0.0239) | $ (0.3214) | $ (0.1724) | $ (0.5069) | | | | | |

Notes:
(a) Based on the historical 3-year (2020, 2021, and 2022 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; T-Service UAF costs recovered via delivery revenues which are excluded from the above flow-through calculation.
(c) Reconciled to the Total MCRA Costs on Tab 1, Page 7, Col. 3, Line 44, with monthly breakdown on Tab 2, Page 7.1.
(d) Storage & Transport and MCRA Rate Rider 6 charges for RS-4, RS-6P (Fueling Stations), RS-7, and RS-46 (Sales) are set at the RS-5 tariff rates. For midstream cost allocation purposes the RS-5 allocations include RS-4, RS-5, RS-6P (Fueling Stations), RS-7, and RS-46 (Sales) forecast sales.
(e) IncludesTransportation Service customers that provided notice in August 2023 to FEI of their intention to return to the bundled service for the 2023/24 gas year.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS**
**MCRA INCURRED MONTHLY ACTIVITIES FOR THE PERIOD FROM APR 2024 TO MAR 2025**
**FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 14, 15, 16, 20, AND 21, 2024**

| Line | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Opening balance | Forecast Apr-24 | Forecast May-24 | Forecast Jun-24 | Forecast Jul-24 | Forecast Aug-24 | Forecast Sep-24 | Forecast Oct-24 | Forecast Nov-24 | Forecast Dec-24 | Forecast Jan-25 | Forecast Feb-25 | Forecast Mar-25 | **Apr-24 to Mar-25 Total** |
| 1 | **MCRA COSTS** ($000) | | | | | | | | | | | | | | |
| 2 | Midstream Commodity Related Costs | | | | | | | | | | | | | | |
| 3 | Propane Available for Sale - Purchase & Inventory Change | | $ 283.4 | $ 168.2 | $ 130.5 | $ 123.6 | $ 119.6 | $ 140.2 | $ 294.4 | $ 440.5 | $ 644.0 | $ 689.4 | $ 614.7 | $ 459.1 | $ 4,107.8 |
| 4 | Propane Costs Recoveries via Commodity Rates | | (47.4) | (29.9) | (24.0) | (22.9) | (21.7) | (25.2) | (50.3) | (74.1) | (104.6) | (111.2) | (99.6) | (80.9) | (691.8) |
| 5 | Propane Costs to be Recovered via Midstream Rates | | $ 236.0 | $ 138.3 | $ 106.5 | $ 100.7 | $ 98.0 | $ 115.0 | $ 244.1 | $ 366.3 | $ 539.4 | $ 578.2 | $ 515.1 | $ 378.2 | $ 3,416.0 |
| 6 | FEFN Supply Portfolio Costs | | $ 66.3 | $ 31.5 | $ 17.1 | $ 13.3 | $ 16.4 | $ 28.4 | $ 71.8 | $ 161.1 | $ 239.5 | $ 252.3 | $ 196.5 | $ 156.6 | $ 1,251.0 |
| 7 | FEFN Costs Recovered from Commodity Rates | | (80.2) | (40.2) | (20.8) | (14.9) | (18.5) | (34.3) | (79.8) | (138.0) | (192.3) | (197.8) | (155.8) | (131.9) | (1,104.7) |
| 8 | FEFN Costs to be Recovered via Midstream Rates | | $ (13.9) | $ (8.7) | $ (3.7) | $ (1.6) | $ (2.1) | $ (5.9) | $ (8.0) | $ 23.1 | $ 47.2 | $ 54.5 | $ 40.7 | $ 24.8 | $ 146.3 |
| 9 | Midstream Natural Gas Costs before Hedging [(a)] | | $ 165.4 | $ 147.1 | $ 145.2 | $ 154.1 | $ 165.3 | $ 155.8 | $ 200.6 | $ 11,539.1 | $ 16,385.8 | $ 17,320.8 | $ 15,438.9 | $ 13,167.7 | $ 74,985.7 |
| 10 | Imbalance [(b)] | | - | - | - | - | - | - | - | - | (1,578.2) | - | - | - | (1,578.2) |
| 11 | Company Use Gas Recovered from O&M | | (490.9) | (275.1) | (243.7) | (185.4) | (123.6) | (172.4) | (257.8) | (552.7) | (897.1) | (1,046.2) | (824.8) | (702.1) | (5,771.7) |
| 12 | Storage Withdrawal / (Injection) Activity [(c)] | | 1,722.9 | (7,080.6) | (10,461.2) | (9,232.2) | (8,950.7) | (9,053.1) | (2,427.0) | 5,894.1 | 11,568.6 | 12,405.5 | 12,027.2 | 9,941.2 | 6,354.9 |
| 13 | Total Midstream Commodity Related Costs | | $ 1,619.6 | $ (7,078.9) | $ (10,456.9) | $ (9,164.3) | $ (8,813.1) | $ (8,960.6) | $ (2,248.2) | $ 17,270.0 | $ 26,065.8 | $ 29,312.8 | $ 27,197.1 | $ 22,809.8 | $ 77,553.0 |
| 14 | | | | | | | | | | | | | | | |
| 15 | Storage Related Costs | | | | | | | | | | | | | | |
| 16 | Storage Demand - Third Party Storage | | $ 2,731.0 | $ 4,206.6 | $ 4,555.9 | $ 4,553.5 | $ 4,549.5 | $ 4,541.6 | $ 4,248.6 | $ 3,433.2 | $ 3,448.1 | $ 3,450.1 | $ 3,219.9 | $ 3,223.9 | $ 46,161.9 |
| 17 | On-System Storage - Mt. Hayes (LNG) | | 1,624.7 | 1,539.6 | 1,890.4 | 1,598.1 | 1,507.2 | 1,667.8 | 1,520.0 | 1,807.8 | 1,849.6 | 1,622.3 | 1,559.9 | 1,547.6 | 19,734.9 |
| 18 | Total Storage Related Costs | | $ 4,355.7 | $ 5,746.2 | $ 6,446.4 | $ 6,151.6 | $ 6,056.7 | $ 6,209.4 | $ 5,768.6 | $ 5,241.0 | $ 5,297.7 | $ 5,072.4 | $ 4,779.8 | $ 4,771.4 | $ 65,896.8 |
| 19 | | | | | | | | | | | | | | | |
| 20 | Transportation Related Costs | | | | | | | | | | | | | | |
| 21 | Enbridge (BC Pipeline) - Westcoast Energy | | $ 14,599.1 | $ 14,344.9 | $ 14,343.3 | $ 14,544.4 | $ 14,605.7 | $ 14,532.2 | $ 14,679.1 | $ 17,493.2 | $ 17,497.1 | $ 17,686.5 | $ 17,358.6 | $ 17,565.4 | $ 189,249.7 |
| 22 | TC Energy (Foothills BC) | | 582.2 | 582.2 | 582.2 | 582.2 | 582.2 | 582.2 | 582.2 | 772.6 | 772.6 | 788.1 | 788.1 | 788.1 | 7,985.0 |
| 23 | TC Energy (NOVA Alta) | | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 1,080.0 | 12,959.6 |
| 24 | Northwest Pipeline | | 443.7 | 451.0 | 457.3 | 470.8 | 466.8 | 446.9 | 436.4 | 784.2 | 830.4 | 830.4 | 803.3 | 834.7 | 7,255.9 |
| 25 | FortisBC Huntingdon Inc. | | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 | 134.9 |
| 26 | Southern Crossing Pipeline | | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 1,107.0 | 13,284.1 |
| 27 | Total Transportation Related Costs | | $ 17,823.2 | $ 17,576.4 | $ 17,581.0 | $ 17,795.7 | $ 17,853.0 | $ 17,759.5 | $ 17,895.9 | $ 21,248.3 | $ 21,298.3 | $ 21,503.2 | $ 21,148.2 | $ 21,386.4 | $ 230,869.1 |
| 28 | | | | | | | | | | | | | | | |
| 29 | Mitigation | | | | | | | | | | | | | | |
| 30 | Commodity Related Mitigation | | $ (1,946.3) | $ (1,677.7) | $ (1,671.7) | $ (7,097.9) | $ (9,020.5) | $ (4,447.0) | $ (2,165.2) | $ (12,411.7) | $ (5,345.7) | $ (7,623.0) | $ (13,848.3) | $ (17,988.7) | $ (85,243.7) |
| 31 | Storage Related Mitigation | | (228.9) | (228.9) | (343.3) | (91.6) | (152.6) | (152.6) | (305.2) | (305.2) | (267.0) | (343.3) | (343.3) | (305.2) | (3,067.0) |
| 32 | Transportation Related Mitigation | | (7,826.0) | (7,808.0) | (11,995.5) | (11,995.5) | (11,995.5) | (11,995.5) | (10,948.7) | (4,187.5) | (2,093.8) | (4,059.9) | (3,247.9) | (4,059.9) | (92,213.8) |
| 33 | Total Mitigation | | $ (10,001.3) | $ (9,714.6) | $ (14,010.6) | $ (19,185.0) | $ (21,168.6) | $ (16,595.1) | $ (13,419.1) | $ (16,904.4) | $ (7,706.5) | $ (12,026.2) | $ (17,439.5) | $ (22,353.7) | $ (180,524.5) |
| 34 | GSMIP Incentive Sharing | | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 208.3 | $ 2,500.0 |
| 35 | Core Market Administration Costs | | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 352.9 | $ 4,235.0 |
| 36 | **TOTAL MCRA COSTS** (Line 13, 18, 27, 33, 34 & 35) ($000) | | $ 14,358.5 | $ 7,090.3 | $ 121.1 | $ (3,840.7) | $ (5,510.9) | $ (1,025.6) | $ 8,558.5 | $ 27,416.2 | $ 45,516.5 | $ 44,423.3 | $ 36,246.9 | $ 27,175.2 | $ 200,529.4 |

Notes:
(a) The total cost of UAF is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.
(b) Imbalance is composed of two components, Enbridge imbalance (difference between Enbridge metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").
(c) The net impact to the MCRA related to the movement of commodity costs into or out of the Gas in Storage inventory account. Gas injections to storage result in credits to the MCRA, while withdrawals result in costs being debited to the MCRA.

Slight difference in totals due to rounding.

bcuc
British Columbia
Utilities Commission

**Patrick Wruck**
Commission Secretary

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DATE

Sent via email **Letter L-xx-xx**

Ms. Sarah Walsh
Director, 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, and the Fort Nelson Service Area - 2024 First Quarter Gas Cost Report**

Dear Ms. Walsh:

On March 6, 2024, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC) its 2024 First Quarter Gas Cost Report for the Mainland and Vancouver Island Service Area, and the Fort Nelson 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, and the Fort Nelson Service Area was last changed by Order G-244-23, when it decreased by $0.929 per gigajoule from $3.159 per gigajoule to $2.230 per gigajoule, effective October 1, 2023.

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, and the Fort Nelson Service Area remain unchanged at $2.230 per gigajoule, effective April 1, 2024.

The BCUC will hold the information in Tab 3 and Tab 4 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