FORTIS BC™

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May 29, 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 Second Quarter Gas Cost Report

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

The gas cost forecast used within the attached report is based on the five-day average of the May 8, 9, 10, 13, and 14, 2024 forward prices (five-day average forward prices ending May 14, 2024).

CCRA Deferral Account and Commodity Rate Setting Mechanism

Based on the five-day average forward prices ending May 14, 2024, the June 30, 2024 CCRA balance is projected to be approximately $22 million deficit after tax. At the existing commodity rate, the CCRA trigger ratio is calculated to be 85.1 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 $0.389/GJ, which falls within 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.

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1 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 schedules at Tab 2, Pages 1 and 2, provide details of the recorded and forecast, based on the five-day average forward prices ending May 14, 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 July 1, 2024 to June 30, 2025 prospective period.

Discussion

The forward western Canadian natural gas prices have decreased from the forward prices used in the FEI 2024 First 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 and high storage inventory volumes in western Canada.

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 $22 million after-tax projected at June 30, 2024, in the 2024 Second Quarter Gas Cost Report. While the 12-month prospective period average CCRA commodity costs, including hedging, forecast in the 2024 Second Quarter Gas Cost Report are similar to those forecast within the 2023 Third Quarter Gas Cost Report.

MCRA Deferral Account

Based on the five-day average forward prices ending May 14, 2024, the MCRA balances after tax at December 31, 2024 and December 31, 2025 are projected to be approximately $32 million surplus and $56 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 5, provide details of the recorded and forecast MCRA gas supply costs for calendar 2024 and 2025 based on the five-day average forward prices ending May 14, 2024. Tab 2, Pages 6 and 6.1 provide the information related to the forecast MCRA gas supply costs for the July 1, 2024 to June 30, 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 July 1, 2024.

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

We trust the BCUC will find the attached to be in order. However, should 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 JUL 2024 TO JUN 2026
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 2024
$(Millions)

Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1		Recorded	Recorded	Recorded	Recorded	Projected	Projected							**Jan-24 to**
2		Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24							**Jun-24**
3	CCRA Balance - Beginning (Pre-tax) [(a)]	$ 32	$ 50	$ 56	$ 59	$ 52	$ 42							**$ 32**
4	Gas Costs Incurred	48	31	32	21	18	17							167
5	Revenue from **APPROVED** Recovery Rates	(30)	(26)	(29)	(28)	(28)	(28)							(168)
6	**CCRA Balance - Ending (Pre-tax)** [(b)]	$ 50	$ 56	$ 59	$ 52	$ 42	$ 30							**$ 30**
7														
8	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%							27.0%
9														
10	**CCRA Balance - Ending (After-tax)** [(c)]	$ 37	$ 41	$ 43	$ 38	$ 31	$ 22							**$ 22**
11														
12														**Jul-24**
13		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**to**
14		Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	**Jun-25**
15	CCRA Balance - Beginning (Pre-tax) [(a)]	$ 30	$ 20	$ 9	$ 1	$ (5)	$ 1	$ 10	$ 21	$ 32	$ 41	$ 48	$ 53	**$ 30**
16	Gas Costs Incurred	18	18	19	22	34	38	40	36	38	34	34	33	363
17	Revenue from **EXISTING** Recovery Rates	(28)	(28)	(28)	(28)	(28)	(28)	(28)	(26)	(28)	(28)	(28)	(28)	(335)
18	**CCRA Balance - Ending (Pre-tax)** [(b)]	$ 20	$ 9	$ 1	$ (5)	$ 1	$ 10	$ 21	$ 32	$ 41	$ 48	$ 53	$ 59	**$ 59**
19														
20	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
21														
22	**CCRA Balance - Ending (After-tax)** [(c)]	$ 14	$ 7	$ 1	$ (4)	$ 1	$ 7	$ 16	$ 23	$ 30	$ 35	$ 39	$ 43	**$ 43**
23														
24														**Jul-25**
25		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**to**
26		Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	**Jun-26**
27	CCRA Balance - Beginning (Pre-tax) [(a)]	$ 59	$ 65	$ 73	$ 80	$ 90	$ 106	$ 126	$ 148	$ 168	$ 185	$ 196	$ 208	**$ 59**
28	Gas Costs Incurred	36	36	35	39	44	49	51	46	46	40	40	40	500
29	Revenue from **EXISTING** Recovery Rates	(29)	(29)	(28)	(29)	(28)	(29)	(29)	(26)	(29)	(28)	(29)	(28)	(339)
30	**CCRA Balance - Ending (Pre-tax)** [(b)]	$ 65	$ 73	$ 80	$ 90	$ 106	$ 126	$ 148	$ 168	$ 185	$ 196	$ 208	$ 220	**$ 220**
31														
32	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
33														
34	**CCRA Balance - Ending (After-tax)** [(c)]	$ 48	$ 53	$ 58	$ 65	$ 77	$ 92	$ 108	$ 123	$ 135	$ 143	$ 152	$ 160	**$ 160**

Notes:
(a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
(b) For rate setting purposes CCRA pre-tax balances include grossed-up projected deferred interest of approximately $0.9 million credit as at June 30, 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 JUL 2024 TO JUN 2025
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 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 Jul 1, 2024 [(a)]		$ 30.5						(Tab 1, Page 1, Col.14, Line 15)
4	Forecast Incurred Gas Costs - Jul 2024 to Jun 2025		$ 363.3						(Tab 1, Page 1, Col.14, Line 16)
5	Forecast Recovery Gas Costs at Existing Recovery Rate - Jul 2024 to Jun 2025		$ 335.3						(Tab 1, Page 1, Col.14, Line 17)
6									
7	**CCRA** =	Forecast Recovered Gas Costs (Line 5)	= $ 335.3		=	**85.1%**			
8	**Ratio**	Forecast Incurred Gas Costs (Line 4) + Projected CCRA Balance (Line 3)	$ 393.8						**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 - Jul 2024 to Jun 2025			150,362					(Tab1, Page 7, Col.5, Line 10)
21									
22	Projected Deferral Balance at Jul 1, 2024 [(a)]		$ 30.5				$ 0.2028	[(b)]	
23	Forecast 12-month CCRA Activities - Jul 2024 to Jun 2025		$ 28.0				$ 0.1864	[(b)]	
24	(Over) / Under Recovery at Existing Rate		$ 58.5						(Line 3 + Line 4 - Line 5)
25									
26	**Tested Rate (Decrease) / Increase**						$ 0.389	[(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 JUL 2024 TO DEC 2025
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 2024
$(Millions)

Line	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1			Recorded	Recorded	Recorded	Recorded	Projected	Projected	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
2			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**
3	MCRA Balance - Beginning (Pre-tax) [a]		$ (231)	$ (193)	$ (180)	$ (165)	$ (151)	$ (133)	$ (123)	$ (107)	$ (93)	$ (78)	$ (70)	$ (58)	**$ (231)**
4	**2024 MCRA Activities**														
5	Rate Rider 6														
6	*Rider 6 Amortization at APPROVED 2024 Rates*	**$ (130)**	$ 19	$ 15	$ 14	$ 10	$ 6	$ 5	$ 4	$ 4	$ 5	$ 10	$ 15	$ 20	**$ 126**
7	Midstream Base Rates														
8	*Gas Costs Incurred*		$ 65	$ 35	$ 29	$ 17	$ 8	$ 2	$ (4)	$ (5)	$ (1)	$ 7	$ 28	$ 45	$ 226
9	*Revenue from **APPROVED** Recovery Rates*		(46)	(36)	(27)	(14)	4	10	15	15	11	(8)	(31)	$ (50)	(160)
10	Total Midstream Base Rates (Pre-tax)		$ 18	$ (1)	$ 1	$ 4	$ 12	$ 11	$ 11	$ 11	$ 9	$ (1)	$ (3)	$ (5)	**$ 66**
11															
12	**MCRA Cumulative Balance - Ending (Pre-tax) [b]**		$ (193)	$ (180)	$ (165)	$ (151)	$ (133)	$ (123)	$ (107)	$ (93)	$ (78)	$ (70)	$ (58)	$ (44)	**$ (44)**
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]**		$ (141)	$ (131)	$ (120)	$ (110)	$ (97)	$ (89)	$ (78)	$ (68)	$ (57)	$ (51)	$ (42)	$ (32)	**$ (32)**
16															
17			Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
18			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**
19	MCRA Balance - Beginning (Pre-tax) [a]		$ (44)	$ (33)	$ (23)	$ (10)	$ (0)	$ 12	$ 19	$ 24	$ 30	$ 34	$ 38	$ 53	**$ (44)**
20	**2025 MCRA Activities**														
21	Rate Rider 6														
22	*Rider 6 Amortization at APPROVED 2024 Rates*		$ 20	$ 17	$ 15	$ 10	$ 6	$ 5	$ 4	$ 4	$ 5	$ 10	$ 15	$ 20	**$ 131**
23	Midstream Base Rates														
24	*Gas Costs Incurred*		$ 42	$ 36	$ 27	$ 10	$ 1	$ (8)	$ (14)	$ (14)	$ (11)	$ 3	$ 31	$ 54	$ 157
25	*Revenue from **EXISTING** Recovery Rates*		$ (51)	(43)	(29)	(11)	5	10	15	15	10	(9)	(31)	(50)	(168)
26	Total Midstream Base Rates (Pre-tax)		$ (9)	$ (7)	$ (2)	$ (1)	$ 6	$ 2	$ 1	$ 1	$ (0)	$ (6)	$ 0	$ 3	**$ (11)**
27															
28	**MCRA Cumulative Balance - Ending (Pre-tax) [b]**		$ (33)	$ (23)	$ (10)	$ (0)	$ 12	$ 19	$ 24	$ 30	$ 34	$ 38	$ 53	$ 77	**$ 77**
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]**		$ (24)	$ (17)	$ (7)	$ (0)	$ 9	$ 14	$ 18	$ 22	$ 25	$ 28	$ 39	$ 56	**$ 56**

Notes:
(a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
(b) For rate setting purposes MCRA pre-tax balances include grossed-up projected deferred interest of approximately $5.7 million credit as at June 30, 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 JUN 2026
AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

Line No	Particulars			Five-day Average Forward Prices - May 8, 9, 10, 13, and 14, 2024 2024 Q2 Gas Cost Report			Five-day Average Forward Prices - February 14, 15, 16, 20, and 21, 2024 2024 Q1 Gas Cost Report		Change in Forward Price	
	(1)				(2)			(3)		(4) = (2) - (3)
1	**SUMAS Index Prices - presented in $US/MMBtu**									
2										
3	**2024**	January		$	3.77	**Settled**	$	3.77		$ -
4		February		$	4.82	**Forecast**	$	4.82		$ -
5		March		$	1.64		$	1.90		$ (0.26)
6		April	**Settled**	$	1.30		$	1.71		$ (0.41)
7		May	**Forecast**	$	1.10		$	1.19		$ (0.10)
8		June		$	1.59		$	1.65		$ (0.06)
9		July		$	2.17		$	2.46		$ (0.29)
10		August		$	2.47		$	2.73		$ (0.26)
11		September		$	2.25		$	2.39		$ (0.14)
12		October		$	2.55		$	2.44		$ 0.11
13		November		$	5.03		$	5.99		$ (0.96)
14		December		$	9.32		$	9.62		$ (0.30)
15	**2025**	January		$	9.36		$	9.55		$ (0.20)
16		February		$	7.19		$	8.12		$ (0.93)
17		March		$	4.15		$	4.36		$ (0.21)
18		April		$	2.53		$	2.50		$ 0.03
19		May		$	2.25		$	2.29		$ (0.04)
20		June		$	2.51		$	2.54		$ (0.03)
21		July		$	3.45		$	3.45		$ 0.00
22		August		$	3.56		$	3.57		$ (0.01)
23		September		$	3.44		$	3.44		$ 0.00
24		October		$	3.01		$	3.03		$ (0.02)
25		November		$	6.43		$	6.83		$ (0.40)
26		December		$	9.18		$	8.82		$ 0.36
27	**2026**	January		$	9.10		$	8.61		$ 0.49
28		February		$	8.12		$	7.79		$ 0.34
29		March		$	4.84		$	4.68		$ 0.16
30		April		$	2.85					
31		May		$	2.70					
32		June		$	2.98					
33										
34	*Simple Average (Jul 2024 - Jun 2025)*			*$*	*4.31*		*$*	*4.58*	*-5.9%*	*$ (0.27)*
35	*Simple Average (Oct 2024 - Sep 2025)*			*$*	*4.61*		*$*	*4.82*	*-4.4%*	*$ (0.21)*
36	*Simple Average (Jan 2025 - Dec 2025)*			*$*	*4.76*		*$*	*4.87*	*-2.5%*	*$ (0.12)*
37	*Simple Average (Apr 2025 - Mar 2026)*			*$*	*4.87*		*$*	*4.80*	*1.6%*	*$ 0.07*
38	*Simple Average (Jul 2025 - Jun 2026)*			*$*	*4.97*					

Conversation Factors
1 MMBtu = 1.055056 GJ

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

Forecast Jul 2024 - Jun 2025	Forecast Apr 2024 - Mar 2025		
$ 1.3626	$ 1.3474	*1.1%*	*$ 0.0152*

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

Line No	Particulars			Five-day Average Forward Prices - May 8, 9, 10, 13, and 14, 2024 2024 Q2 Gas Cost Report		Five-day Average Forward Prices - February 14, 15, 16, 20, and 21, 2024 2024 Q1 Gas Cost Report		Change in Forward Price
	(1)			(2)		(3)		(4) = (2) - (3)
1	**SUMAS Index Prices - presented in $CDN/GJ**							
2								
3	**2024**	January		$ 4.73	**Settled**	$ 4.73		$ -
4		February		$ 6.12	**Forecast**	$ 6.11		$ 0.01
5		March		$ 2.11		$ 2.43		$ (0.33)
6		April	**Settled**	$ 1.67		$ 2.19		$ (0.52)
7		May	**Forecast**	$ 1.42		$ 1.53		$ (0.10)
8		June		$ 2.06		$ 2.11		$ (0.05)
9		July		$ 2.81		$ 3.15		$ (0.33)
10		August		$ 3.20		$ 3.49		$ (0.29)
11		September		$ 2.91		$ 3.06		$ (0.15)
12		October		$ 3.30		$ 3.12		$ 0.18
13		November		$ 6.51		$ 7.65		$ (1.15)
14		December		$ 12.04		$ 12.28		$ (0.24)
15	**2025**	January		$ 12.08		$ 12.19		$ (0.11)
16		February		$ 9.28		$ 10.36		$ (1.08)
17		March		$ 5.34		$ 5.56		$ (0.21)
18		April		$ 3.27		$ 3.19		$ 0.08
19		May		$ 2.90		$ 2.92		$ (0.02)
20		June		$ 3.23		$ 3.24		$ (0.01)
21		July		$ 4.45		$ 4.40		$ 0.05
22		August		$ 4.58		$ 4.54		$ 0.04
23		September		$ 4.43		$ 4.38		$ 0.04
24		October		$ 3.87		$ 3.86		$ 0.01
25		November		$ 8.27		$ 8.70		$ (0.43)
26		December		$ 11.78		$ 11.22		$ 0.56
27	**2026**	January		$ 11.69		$ 10.96		$ 0.73
28		February		$ 10.43		$ 9.91		$ 0.52
29		March		$ 6.21		$ 5.95		$ 0.26
30		April		$ 3.65				
31		May		$ 3.46				
32		June		$ 3.81				
33								
34	*Simple Average (Jul 2024 - Jun 2025)*			*$ 5.57*		*$ 5.85*	*-4.7%*	*$ (0.28)*
35	*Simple Average (Oct 2024 - Sep 2025)*			*$ 5.95*		*$ 6.15*	*-3.3%*	*$ (0.20)*
36	*Simple Average (Jan 2025 - Dec 2025)*			*$ 6.12*		*$ 6.21*	*-1.4%*	*$ (0.09)*
37	*Simple Average (Apr 2025 - Mar 2026)*			*$ 6.26*		*$ 6.11*	*2.5%*	*$ 0.15*
38	*Simple Average (Jul 2025 - Jun 2026)*			*$ 6.39*				

Conversation Factors
1 MMBtu = 1.055056 GJ

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

Forecast Jul 2024 - Jun 2025	Forecast Apr 2024 - Mar 2025		
$ 1.3626	$ 1.3474	1.1%	$ 0.0152

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

Line No	Particulars			Five-day Average Forward Prices - May 8, 9, 10, 13, and 14, 2024 2024 Q2 Gas Cost Report		Five-day Average Forward Prices - February 14, 15, 16, 20, and 21, 2024 2024 Q1 Gas Cost Report		Change in Forward Price
	(1)			(2)		(3)		(4) = (2) - (3)
1	**AECO Index Prices - $CDN/GJ**							
2								
3	**2024**	January		$ 1.99		$ 1.99		$ -
4		February		$ 2.20	**Settled**	$ 2.20		$ 0.00
5		March		$ 1.64	**Forecast**	$ 1.60		$ 0.04
6		April	**Settled**	$ 1.65		$ 1.55		$ 0.11
7		May	**Forecast**	$ 1.24		$ 1.49		$ (0.25)
8		June		$ 1.24		$ 1.51		$ (0.27)
9		July		$ 1.28		$ 1.50		$ (0.22)
10		August		$ 1.33		$ 1.56		$ (0.24)
11		September		$ 1.39		$ 1.54		$ (0.15)
12		October		$ 1.68		$ 1.77		$ (0.09)
13		November		$ 2.55		$ 2.57		$ (0.02)
14		December		$ 2.91		$ 2.99		$ (0.09)
15	**2025**	January		$ 3.10		$ 3.16		$ (0.05)
16		February		$ 3.10		$ 3.12		$ (0.02)
17		March		$ 2.90		$ 2.83		$ 0.07
18		April		$ 2.71		$ 2.70		$ 0.01
19		May		$ 2.60		$ 2.55		$ 0.05
20		June		$ 2.58		$ 2.61		$ (0.03)
21		July		$ 2.72		$ 2.79		$ (0.07)
22		August		$ 2.74		$ 2.83		$ (0.08)
23		September		$ 2.78		$ 2.88		$ (0.10)
24		October		$ 3.00		$ 3.05		$ (0.05)
25		November		$ 3.42		$ 3.56		$ (0.13)
26		December		$ 3.79		$ 3.96		$ (0.17)
27	**2026**	January		$ 3.95		$ 4.14		$ (0.20)
28		February		$ 3.92		$ 4.05		$ (0.12)
29		March		$ 3.43		$ 3.52		$ (0.09)
30		April		$ 3.03				
31		May		$ 2.99				
32		June		$ 3.04				
33								
34	*Simple Average (Jul 2024 - Jun 2025)*			*$ 2.34*		*$ 2.41*	*-2.7%*	*$ (0.07)*
35	*Simple Average (Oct 2024 - Sep 2025)*			*$ 2.70*		*$ 2.73*	*-1.3%*	*$ (0.04)*
36	*Simple Average (Jan 2025 - Dec 2025)*			*$ 2.95*		*$ 3.00*	*-1.6%*	*$ (0.05)*
37	*Simple Average (Apr 2025 - Mar 2026)*			*$ 3.14*		*$ 3.22*	*-2.5%*	*$ (0.08)*
38	*Simple Average (Jul 2025 - Jun 2026)*			*$ 3.24*				

Line No	Particulars			Five-day Average Forward Prices - May 8, 9, 10, 13, and 14, 2024 2024 Q2 Gas Cost Report			Five-day Average Forward Prices - February 14, 15, 16, 20, and 21, 2024 2024 Q1 Gas Cost Report			Change in Forward Price	
	(1)				(2)			(3)		(4) = (2) - (3)	
1	**Station 2 Index Prices - $CDN/GJ**										
2											
3	**2024**	January		$	1.66	**Settled**	$	1.66		$	-
4		February		$	1.98	**Forecast**	$	1.98		$	(0.00)
5		March		$	1.37		$	1.29		$	0.08
6		April	**Settled**	$	1.31		$	1.13		$	0.18
7		May	**Forecast**	$	0.89		$	1.00		$	(0.11)
8		June		$	0.82		$	1.02		$	(0.20)
9		July		$	0.84		$	1.04		$	(0.20)
10		August		$	0.90		$	1.10		$	(0.21)
11		September		$	1.05		$	1.08		$	(0.03)
12		October		$	1.35		$	1.31		$	0.03
13		November		$	2.40		$	2.45		$	(0.05)
14		December		$	2.76		$	2.88		$	(0.12)
15	**2025**	January		$	2.96		$	3.04		$	(0.08)
16		February		$	2.96		$	3.00		$	(0.04)
17		March		$	2.75		$	2.71		$	0.04
18		April		$	2.36		$	2.37		$	(0.01)
19		May		$	2.25		$	2.22		$	0.03
20		June		$	2.23		$	2.28		$	(0.05)
21		July		$	2.37		$	2.46		$	(0.09)
22		August		$	2.40		$	2.50		$	(0.10)
23		September		$	2.43		$	2.55		$	(0.12)
24		October		$	2.66		$	2.73		$	(0.07)
25		November		$	3.32		$	3.42		$	(0.09)
26		December		$	3.69		$	3.82		$	(0.13)
27	**2026**	January		$	3.85		$	4.00		$	(0.16)
28		February		$	3.82		$	3.91		$	(0.08)
29		March		$	3.33		$	3.38		$	(0.05)
30		April		$	2.91						
31		May		$	2.87						
32		June		$	2.92						
33											
34	*Simple Average (Jul 2024 - Jun 2025)*			*$*	*2.07*		*$*	*2.12*	*-2.7%*	*$*	*(0.06)*
35	*Simple Average (Oct 2024 - Sep 2025)*			*$*	*2.43*		*$*	*2.48*	*-1.9%*	*$*	*(0.05)*
36	*Simple Average (Jan 2025 - Dec 2025)*			*$*	*2.70*		*$*	*2.76*	*-2.2%*	*$*	*(0.06)*
37	*Simple Average (Apr 2025 - Mar 2026)*			*$*	*2.89*		*$*	*2.97*	*-2.6%*	*$*	*(0.08)*
38	*Simple Average (Jul 2025 - Jun 2026)*			*$*	*3.05*						

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS
GAS BUDGET COST SUMMARY FOR THE FORECAST PERIOD JUL 2024 TO JUN 2025
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 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		$ 230,146		118,072		$ 1.949	
4	AECO		89,146		38,117		$ 2.339	
5	Commodity Costs before Hedging		$ 319,292		156,189		$ 2.044	Incl. Receipt Point Fuel.
6	Hedging Cost / (Gain)		42,234		-			
7	Subtotal Commodity Purchased		$ 361,527		156,189		$ 2.315	
8	Core Market Administration Costs		1,815		-			
9	Fuel Gas Provided to Midstream				(5,827)			
10	**Total CCRA Baseload**				**150,362**			
11	**Total CCRA Costs**		**$ 363,342**				**$ 2.416**	Commodity available for sale average unit cost
12	**MCRA**							
13	Midstream Commodity Related Costs							
14	Total Cost of Propane	$ 3,950				325		
15	Propane Costs Recovered based on Commodity Rates	(696)				(312)		
16	Propane Costs to be Recovered via Midstream Rates		$ 3,253					
17	FEFN Supply Portfolio Costs	$ 1,263			498			
18	FEFN Costs Recovered from Commodity Rates	(1,103)			(495)			
19	FEFN Costs to be Recovered via Midstream Rates		160					
20	Midstream Natural Gas Costs before Hedging		72,090		26,181			
21	Hedging Cost / (Gain)		-		-			
22	Imbalance		(620)		(524)			
23	Company Use Gas Recovered from O&M		(5,772)		(703)			
24	Injections into Storage	$ (57,234)		(26,684)				
25	Withdrawals from Storage	59,079		30,713				
26	Storage Withdrawal / (Injection) Activity		1,845		4,029			
27	Total Midstream Commodity Related Costs		$ 70,956		28,986			
28	Storage Related Costs							
29	Storage Demand - Third Party Storage	$ 53,104						
30	On-System Storage - Mt. Hayes (LNG)	19,735						
31	Total Storage Related Costs		72,839					
32	Transport Related Costs		228,583					
33	Mitigation							
34	Commodity Mitigation	$ (79,528)			(36,398)			
35	Storage Mitigation	(5,508)						
36	Transportation Mitigation	(115,193)						
37	Total Mitigation		(200,229)					
38	GSMIP Incentive Sharing		2,500					
39	Core Market Administration Costs		4,235					
40	Net Transportation Fuel [(a)]			8,721				
41	UAF (Sales and T-Service) [(b)]			(1,308)				
42	UAF & Net Transportation Fuel				7,412			
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)		**$ 178,883**				**$ 1.090**	Midstream average unit cost
46	**Total Sales Quantities for RS1-RS7 & RS46 (Natural Gas & Propane)**				**164,105**			Reference to Tab 2, Page 6, Line 1, Col. 10
47	**Total Forecast Gas Costs** (Lines 11 & 45)		$ 542,225					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.

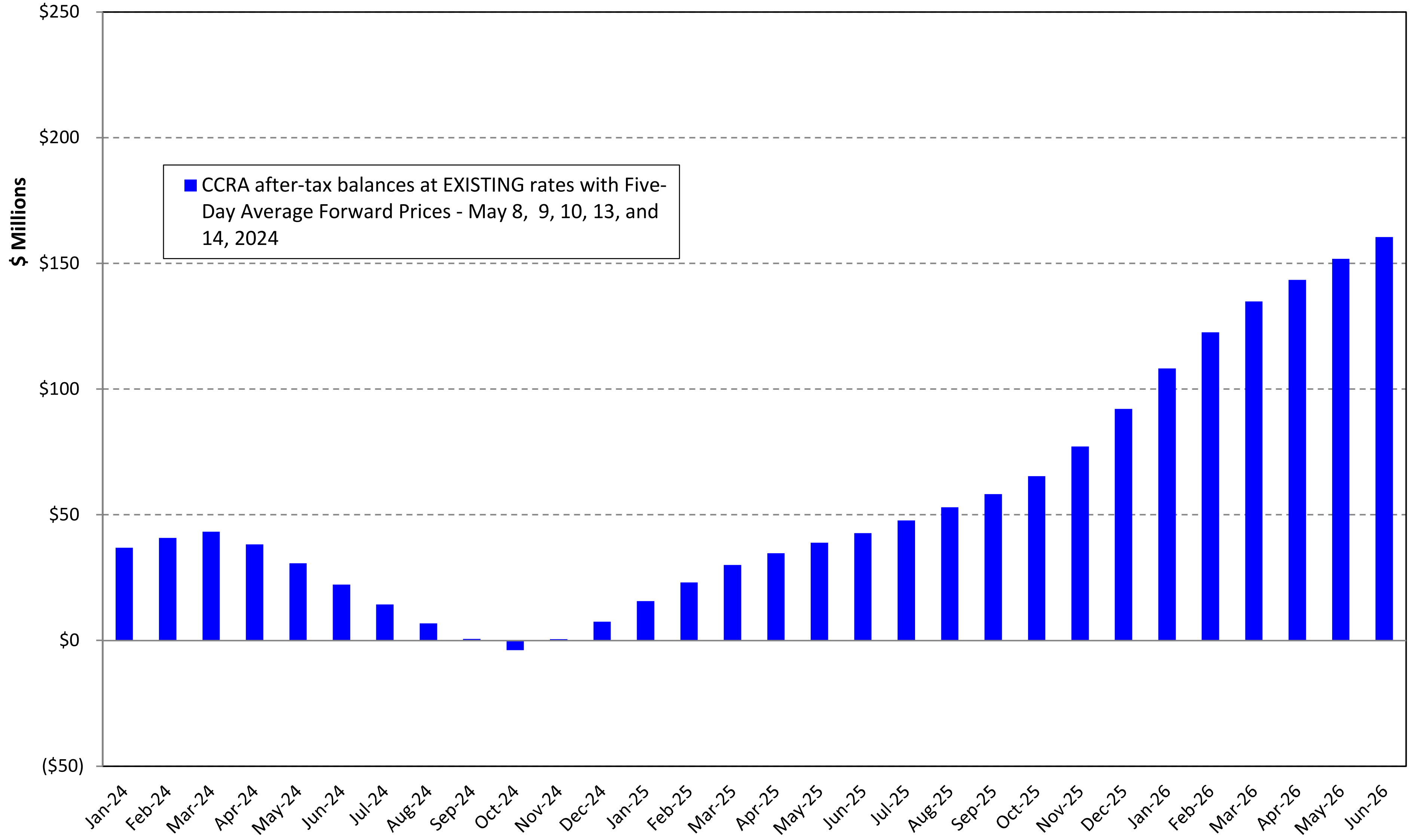
Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND, AND FORT NELSON SERVICE AREAS
RECONCILIATION OF GAS COST INCURRED
FOR THE FORECAST PERIOD JUL 2024 TO JUN 2025
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 2024
$(Millions)

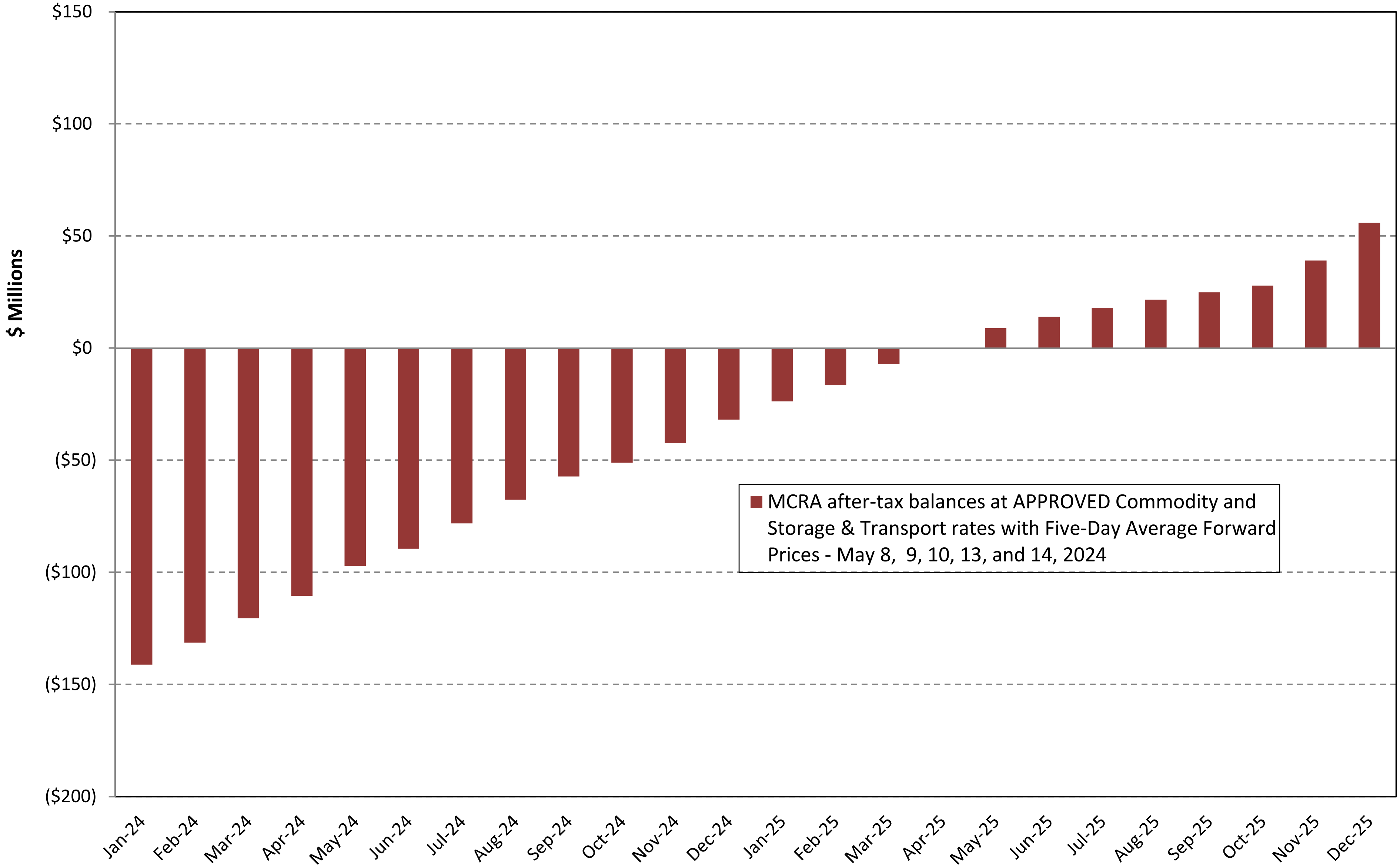
Line	Particulars	CCRA / MCRA Deferral Account Forecast	Gas Budget Cost Summary	References
	(1)	(2)	(3)	(4)
1	Gas Cost Incurred			
2	CCRA	$ 363		(Tab 1, Page 1, Col.14, Line 16)
3	MCRA	179		(Tab 2, Page 6.1, Col.15, Line 36)
4				
5				
6	Gas Budget Cost Summary			
7	CCRA		$ 363	(Tab 1, Page 7, Col.3, Line 11)
8	MCRA		179	(Tab 1, Page 7, Col.3, Line 45)
9				
10				
11	**Totals Reconciled**	$ 542	$ 542	

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 April 2024 and Forecast to June 2026



FortisBC Energy Inc. - Mainland and Vancouver Island, and Fort Nelson Service Areas
MCRA After-Tax Monthly Balances
Recorded to April 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 APR 2024 AND FORECAST TO JUN 2025
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 2024

Line	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
															Jan-24 to
1			Recorded	Recorded	Recorded	Recorded	Projected	Projected							**Jun-24**
2			Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24							**Total**
3	**CCRA QUANTITIES**														
4	Commodity Purchase	(TJ)													
5	STN 2		10,038	9,394	10,047	9,739	10,028	9,705							58,951
6	AECO		3,410	2,668	3,185	3,087	3,237	3,133							18,719
7	Total Commodity Purchased		13,448	12,062	13,232	12,826	13,265	12,837							77,671
8	Fuel Gas Provided to Midstream		(493)	(462)	(494)	(479)	(495)	(479)							(2,901)
9	**Commodity Available for Sale**		12,955	11,600	12,738	12,348	12,771	12,359							74,770
10															
11	**CCRA COSTS**														
12	Commodity Costs	($000)													
13	STN 2		$ 27,260	$ 16,087	$ 13,707	$ 10,175	$ 6,154	$ 5,243							$ 78,626
14	AECO		8,781	5,330	5,326	4,659	4,038	3,895							32,029
15	Commodity Costs before Hedging		$ 36,041	$ 21,417	$ 19,033	$ 14,834	$ 10,192	$ 9,138							$ 110,655
16	Hedging Cost / (Gain)		11,477	9,857	12,902	5,936	7,879	7,645							55,695
17	Core Market Administration Costs		322	108	169	139	151	151							1,041
18	**Total CCRA Costs**		$ 47,839	$ 31,382	$ 32,104	$ 20,909	$ 18,222	$ 16,934							$ 167,391
19															
20															
21	CCRA Unit Cost	($/GJ)	$ 3.693	$ 2.705	$ 2.520	$ 1.693	$ 1.427	$ 1.370							$ 2.239
22															
23			Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**1-12 months**
24			Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	**Total**
25	**CCRA QUANTITIES**														
26	Commodity Purchase	(TJ)													
27	STN 2		10,028	10,028	9,705	10,028	9,705	10,028	10,028	9,058	10,028	9,705	10,028	9,705	118,072
28	AECO		3,237	3,237	3,133	3,237	3,133	3,237	3,237	2,924	3,237	3,133	3,237	3,133	38,117
29	Total Commodity Purchased		13,265	13,265	12,837	13,265	12,837	13,265	13,265	11,982	13,265	12,837	13,265	12,837	156,189
30	Fuel Gas Provided to Midstream		(495)	(495)	(479)	(495)	(479)	(495)	(495)	(447)	(495)	(479)	(495)	(479)	(5,827)
31	**Commodity Available for Sale**		12,771	12,771	12,359	12,771	12,359	12,771	12,771	11,535	12,771	12,359	12,771	12,359	150,362
32															
33	**CCRA COSTS**	($000)													
34	Commodity Costs														
35	STN 2		$ 5,567	$ 6,198	$ 7,449	$ 10,682	$ 23,091	$ 27,432	$ 29,398	$ 26,548	$ 27,339	$ 22,656	$ 22,347	$ 21,439	$ 230,146
36	AECO		4,137	4,300	4,348	5,448	7,998	9,417	10,052	9,078	9,386	8,479	8,418	8,085	89,146
37	Commodity Costs before Hedging		$ 9,704	$ 10,497	$ 11,796	$ 16,130	$ 31,090	$ 36,850	$ 39,450	$ 35,626	$ 36,726	$ 31,135	$ 30,765	$ 29,524	$ 319,292
38	Hedging Cost / (Gain)		7,758	7,549	7,062	6,063	2,368	972	162	148	1,013	2,761	3,209	3,171	42,234
39	Core Market Administration Costs		151	151	151	151	151	151	151	151	151	151	151	151	1,815
40	**Total CCRA Costs**		$ 17,613	$ 18,197	$ 19,009	$ 22,344	$ 33,609	$ 37,973	$ 39,763	$ 35,925	$ 37,890	$ 34,047	$ 34,125	$ 32,846	$ 363,342
41															
42															
43	CCRA Unit Cost	($/GJ)	$ 1.379	$ 1.425	$ 1.538	$ 1.750	$ 2.719	$ 2.973	$ 3.114	$ 3.115	$ 2.967	$ 2.755	$ 2.672	$ 2.658	$ 2.416

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 JUL 2025 TO JUN 2026
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 2024

Line	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1															
2			Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**13-24 months**
3			Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	**Total**
4	**CCRA QUANTITIES**														
5	Commodity Purchase	(TJ)													
6	STN 2		10,140	10,140	9,813	10,140	9,813	10,140	10,140	9,159	10,140	9,813	10,140	9,813	119,395
7	AECO		3,274	3,274	3,168	3,274	3,168	3,274	3,274	2,957	3,274	3,168	3,274	3,168	38,544
8	Total Commodity Purchased		13,414	13,414	12,981	13,414	12,981	13,414	13,414	12,116	13,414	12,981	13,414	12,981	157,939
9	Fuel Gas Provided to Midstream		(500)	(500)	(484)	(500)	(484)	(500)	(500)	(452)	(500)	(484)	(500)	(484)	(5,892)
10	**Commodity Available for Sale**		12,914	12,914	12,497	12,914	12,497	12,914	12,914	11,664	12,914	12,497	12,914	12,497	152,048
11															
12															
13	**CCRA COSTS**	($000)													
14	Commodity Costs														
15	STN 2		$ 23,811	$ 24,054	$ 23,611	$ 26,690	$ 32,618	$ 37,465	$ 39,015	$ 35,016	$ 33,793	$ 28,545	$ 29,062	$ 28,644	$ 362,323
16	AECO		8,902	8,980	8,797	9,830	10,844	12,419	12,919	11,597	11,233	9,607	9,787	9,638	124,551
17	Commodity Costs before Hedging		$ 32,712	$ 33,034	$ 32,408	$ 36,519	$ 43,462	$ 49,883	$ 51,935	$ 46,613	$ 45,026	$ 38,152	$ 38,849	$ 38,282	$ 486,874
18	Hedging Cost / (Gain)		2,818	2,738	2,540	1,874	468	(741)	(1,246)	(1,053)	455	1,223	1,348	1,208	11,632
19	Core Market Administration Costs		151	151	151	151	151	151	151	151	151	151	151	151	1,815
20	**Total CCRA Costs**		$ 35,681	$ 35,923	$ 35,099	$ 38,544	$ 44,081	$ 49,294	$ 50,840	$ 45,711	$ 45,633	$ 39,527	$ 40,349	$ 39,641	$ 500,322
21															
22															
23	CCRA Unit Cost	($/GJ)	$ 2.763	$ 2.782	$ 2.809	$ 2.985	$ 3.527	$ 3.817	$ 3.937	$ 3.919	$ 3.534	$ 3.163	$ 3.125	$ 3.172	$ 3.291

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 JUL 1, 2024 TO JUN 30, 2025
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 2024

Line	Particulars	Unit	RS-1 to RS-7
	(1)		(2)
1	**CCRA Baseload**	TJ	150,362
2			
3			
4	**CCRA Incurred Costs**	$000	
5	STN 2		$ 230,146.2
6	AECO		89,146.0
7	CCRA Commodity Costs before Hedging		$ 319,292.2
8	Hedging Cost / (Gain)		42,234.4
9	Core Market Administration Costs		1,815.0
10	**Total Incurred Costs before CCRA deferral amortization**		$ 363,341.7
11			
12	Pre-tax CCRA Deficit / (Surplus) as of Jul 1, 2024		30,487.6
13	**Total CCRA Incurred Costs**		$ 393,829.2
14			
15			
16	**CCRA Incurred Unit Costs**	$/GJ	
17	CCRA Commodity Costs before Hedging		$ 2.1235
18	Hedging Cost / (Gain)		0.2809
19	Core Market Administration Costs		0.0121
20	Total Incurred Costs before CCRA deferral amortization		$ 2.4164
21	Pre-tax CCRA Deficit / (Surplus) as of Jul 1, 2024		0.2028
22	**CCRA Gas Costs Incurred -- Flow-Through**		$ 2.6192
23			
24			
25			
26			
27			
28			
29	**Cost of Gas (Commodity Cost Recovery Charge)**		**RS-1 to RS-7**
30			
31	**TESTED Flow-Through Cost of Gas effective Jul 1, 2024** [(a)]		**$ 2.619**
32			
33	Existing Cost of Gas (effective since Oct 1, 2023)		$ 2.230
34			
35	**Tested Cost of Gas Increase / (Decrease)**	$/GJ	$ 0.389
36			
37	Tested Cost of Gas Percentage Increase / (Decrease)		17.44%

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 - MAY 8, 9, 10, 13, AND 14, 2024

Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Opening balance	Recorded Jan-24	Recorded Feb-24	Recorded Mar-24	Recorded Apr-24	Projected May-24	Projected Jun-24	Forecast Jul-24	Forecast Aug-24	Forecast Sep-24	Forecast Oct-24	Forecast Nov-24	Forecast Dec-24	**2024 Total**
1	**MCRA COSTS** ($000)														
2	Midstream Commodity Related Costs														
3	Propane Available for Sale - Purchase & Inventory Change		$ 797.4	$ 547.4	$ 470.7	$ 299.9	$ 163.7	$ 133.1	$ 126.8	$ 117.0	$ 134.6	$ 275.1	$ 420.6	$ 602.0	$ 4,088.4
4	Propane Cost Recoveries via Commodity Rates		(112.5)	(85.1)	(79.1)	(51.6)	(29.9)	(24.0)	(22.9)	(21.7)	(25.2)	(50.3)	(74.1)	(104.6)	(681.0)
5	Propane Costs to be Recovered via Midstream Rates		$ 684.9	$ 462.3	$ 391.6	$ 248.3	$ 133.8	$ 109.1	$ 103.9	$ 95.3	$ 109.5	$ 224.9	$ 346.4	$ 497.4	$ 3,407.4
6	FEFN Supply Portfolio Costs		$ 422.3	$ 244.7	$ 184.0	$ 119.9	$ 30.1	$ 16.0	$ 12.2	$ 14.9	$ 27.6	$ 68.3	$ 154.2	$ 227.8	$ 1,522.2
7	FEFN Costs Recovered from Commodity Rates		(203.6)	(102.1)	(153.2)	(77.9)	(40.2)	(20.8)	(14.9)	(18.5)	(34.3)	(79.8)	(138.0)	(192.3)	(1,075.8)
8	FEFN Costs to be Recovered via Midstream Rates		$ 218.7	$ 142.6	$ 30.8	$ 42.0	$ (10.2)	$ (4.8)	$ (2.8)	$ (3.6)	$ (6.7)	$ (11.5)	$ 16.3	$ 35.5	$ 446.4
9	Midstream Natural Gas Costs before Hedging [(a)]		$ 32,864.9	$ 10,926.4	$ 8,509.8	$ 2,293.1	$ 51.8	$ 39.8	$ 41.1	$ 47.2	$ 63.3	$ 90.4	$ 11,100.7	$ 15,516.5	$ 81,545.1
10	Imbalance [(b)]	$ 1,740.3	(84.0)	(776.1)	(74.6)	(139.8)	-	-	-	-	-	-	-	(620.3)	(1,694.8)
11	Company Use Gas Recovered from O&M		(560.0)	(285.3)	(233.3)	(46.9)	(275.1)	(243.7)	(185.4)	(123.6)	(172.4)	(257.8)	(552.7)	(897.1)	(3,833.3)
12	Storage Withdrawal / (Injection) Activity [(c)]		22,134.7	12,676.5	6,871.3	(504.0)	(5,102.2)	(5,504.0)	(5,565.6)	(8,134.3)	(7,682.6)	(2,335.4)	5,959.5	12,278.7	25,092.5
13	Total Midstream Commodity Related Costs		$ 55,259.2	$ 23,146.4	$ 15,495.6	$ 1,892.7	$ (5,201.8)	$ (5,603.7)	$ (5,608.6)	$ (8,119.1)	$ (7,688.8)	$ (2,289.4)	$ 16,870.2	$ 26,810.7	$ 104,963.3
14															
15	Storage Related Costs														
16	Storage Demand - Third Party Storage		$ 3,014.4	$ 2,988.4	$ 3,012.2	$ 2,693.7	$ 5,121.1	$ 5,157.9	$ 5,155.8	$ 5,291.5	$ 5,280.0	$ 4,990.8	$ 3,625.7	$ 3,639.6	$ 49,971.2
17	On-System Storage - Mt. Hayes (LNG)		1,682.1	1,589.3	1,511.4	2,005.9	1,539.6	1,890.4	1,598.1	1,507.2	1,667.8	1,520.0	1,807.8	1,849.6	20,169.2
18	Total Storage Related Costs		$ 4,696.6	$ 4,577.7	$ 4,523.6	$ 4,699.7	$ 6,660.7	$ 7,048.3	$ 6,754.0	$ 6,798.6	$ 6,947.8	$ 6,510.8	$ 5,433.5	$ 5,489.1	$ 70,140.4
19															
20	Transportation Related Costs														
21	Enbridge (BC Pipeline) - Westcoast Energy		$ 18,950.9	$ 14,230.5	$ 17,488.4	$ 14,430.3	$ 14,145.9	$ 14,150.4	$ 14,535.7	$ 14,596.6	$ 14,523.5	$ 14,669.4	$ 17,483.2	$ 17,487.0	$ 186,691.8
22	TC Energy (Foothills BC)		772.6	772.6	767.3	582.2	582.2	582.2	582.2	582.2	582.2	582.2	582.2	582.2	7,552.5
23	TC Energy (NOVA Alta)		1,080.9	1,080.9	1,080.9	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	12,963.1
24	Northwest Pipeline		885.8	796.8	820.2	451.1	465.1	457.6	462.9	462.6	438.5	442.0	443.5	478.5	6,604.7
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	1,110.0	1,110.0	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	13,296.2
27	Total Transportation Related Costs		$ 22,811.4	$ 18,002.0	$ 21,278.0	$ 17,665.8	$ 17,391.5	$ 17,388.5	$ 17,779.0	$ 17,839.6	$ 17,742.4	$ 17,891.9	$ 20,707.1	$ 20,745.9	$ 227,243.2
28															
29	Mitigation														
30	Commodity Related Mitigation		$ (9,563.5)	$ (6,691.6)	$ (5,434.8)	$ (3,470.0)	$ (1,844.5)	$ (3,599.7)	$ (8,406.9)	$ (7,425.4)	$ (4,399.7)	$ (2,158.6)	$ (9,723.0)	$ (5,385.8)	$ (68,103.5)
31	Storage Related Mitigation		(1,076.5)	(390.1)	(4,220.3)	3,007.1	(280.7)	(280.7)	(561.4)	(561.4)	(491.2)	(631.6)	(631.6)	(561.4)	(6,679.8)
32	Transportation Related Mitigation		(9,154.1)	(4,608.0)	(3,487.4)	(7,151.9)	(9,112.6)	(14,004.5)	(14,022.5)	(14,004.5)	(14,004.5)	(12,781.5)	(4,891.9)	(2,445.9)	(109,669.4)
33	Total Mitigation		$ (19,794.0)	$ (11,689.8)	$ (13,142.5)	$ (7,614.8)	$ (11,237.8)	$ (17,884.9)	$ (22,990.8)	$ (21,991.3)	$ (18,895.5)	$ (15,571.7)	$ (15,246.4)	$ (8,393.1)	$ (184,452.7)
34															
35	GSMIP Incentive Sharing		$ 826.8	$ 498.7	$ 297.3	$ 245.9	$ 208.3	$ 208.3	$ 208.3	$ 208.3	$ 208.3	$ 208.3	$ 208.3	$ 208.3	$ 3,535.3
36															
37	Core Market Administration Costs		$ 745.1	$ 251.7	$ 405.4	$ 325.1	$ 352.9	$ 352.9	$ 352.9	$ 352.9	$ 352.9	$ 352.9	$ 352.9	$ 352.9	$ 4,550.6
38	**TOTAL MCRA COSTS** (Line 13, 18, 27, 33, 35 & 37) ($000)		$ 64,545.1	$ 34,786.7	$ 28,857.3	$ 17,214.4	$ 8,173.8	$ 1,509.5	$ (3,505.2)	$ (4,910.9)	$ (1,332.8)	$ 7,102.8	$ 28,325.6	$ 45,213.9	$ 225,980.2

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 - MAY 8, 9, 10, 13, AND 14, 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		$ 665.1	$ 594.4	$ 460.3	$ 267.6	$ 158.7	$ 127.4	$ 118.6	$ 113.7	$ 134.3	$ 272.4	$ 407.0	$ 580.8	$ 3,900.3
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		$ 553.9	$ 494.8	$ 379.5	$ 218.2	$ 127.5	$ 102.3	$ 94.7	$ 91.1	$ 108.1	$ 220.1	$ 329.9	$ 472.1	$ 3,191.9
6	FEFN Supply Portfolio Costs		242.1	191.1	156.7	94.8	47.4	25.5	19.7	24.0	42.9	102.1	205.7	301.6	1,453.7
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		$ 44.2	$ 35.3	$ 24.8	$ 15.6	$ 7.6	$ 5.0	$ 4.9	$ 5.7	$ 8.9	$ 23.3	$ 69.6	$ 111.7	$ 356.6
9	Midstream Natural Gas Costs before Hedging [(a)]		$ 16,610.8	$ 15,000.7	$ 13,127.7	$ 168.1	$ 164.9	$ 158.1	$ (190.4)	$ (191.9)	$ (187.9)	$ (208.9)	$ 14,876.5	$ 20,145.9	$ 79,473.6
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)]		12,807.1	11,676.7	9,358.2	(982.7)	(10,021.0)	(15,513.3)	(16,139.7)	(15,257.1)	(14,144.4)	(4,444.6)	8,750.6	17,313.5	(16,596.6)
13	Total Midstream Commodity Related Costs		$ 28,969.7	$ 26,382.7	$ 22,188.0	$ (1,071.6)	$ (9,996.0)	$ (15,491.8)	$ (16,415.7)	$ (15,475.9)	$ (14,387.7)	$ (4,668.0)	$ 23,473.9	$ 37,146.2	$ 60,653.8
14															
15	Storage Related Costs														
16	Storage Demand - Third Party Storage		$ 3,641.6	$ 3,621.6	$ 3,630.3	$ 3,674.6	$ 5,198.2	$ 5,354.2	$ 5,353.2	$ 5,348.2	$ 5,339.0	$ 5,013.6	$ 3,617.9	$ 3,632.2	$ 53,424.6
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		$ 5,263.8	$ 5,181.5	$ 5,177.8	$ 5,299.3	$ 6,737.8	$ 7,244.6	$ 6,951.3	$ 6,855.3	$ 7,006.9	$ 6,533.6	$ 5,425.7	$ 5,481.8	$ 73,159.5
19															
20	Transportation Related Costs														
21	Enbridge (BC Pipeline) - Westcoast Energy		$ 17,600.5	$ 17,301.8	$ 17,378.3	$ 14,853.7	$ 14,601.2	$ 14,599.5	$ 14,792.1	$ 14,852.7	$ 14,780.0	$ 14,925.1	$ 17,780.0	$ 17,783.8	$ 191,248.7
22	TC Energy (Foothills BC)		593.9	593.9	593.9	593.9	593.9	593.9	593.9	593.9	593.9	593.9	593.9	593.9	7,126.5
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		478.5	470.9	482.7	447.1	450.6	459.5	470.1	470.1	449.9	439.3	440.8	479.7	5,539.1
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		$ 20,871.0	$ 20,564.7	$ 20,653.0	$ 18,092.9	$ 17,843.9	$ 17,851.2	$ 18,054.3	$ 18,114.9	$ 18,021.9	$ 18,156.5	$ 21,012.8	$ 21,055.6	$ 230,292.8
28															
29	Mitigation														
30	Commodity Related Mitigation		$ (7,149.4)	$ (11,225.0)	$ (14,693.9)	$ (2,398.3)	$ (3,821.0)	$ (2,740.6)	$ (7,125.7)	$ (8,470.0)	$ (6,457.6)	$ (3,139.8)	$ (13,495.5)	$ (7,682.0)	$ (88,398.7)
31	Storage Related Mitigation		(395.5)	(395.5)	(593.3)	(158.2)	(263.7)	(263.7)	(527.4)	(527.4)	(461.4)	(593.3)	(593.3)	(527.4)	(5,300.0)
32	Transportation Related Mitigation		(6,245.1)	(4,996.1)	(6,245.1)	(10,186.7)	(10,186.7)	(15,182.8)	(15,182.8)	(15,182.8)	(15,182.8)	(13,933.8)	(4,996.1)	(2,498.0)	(120,018.6)
33	Total Mitigation		$ (13,790.0)	$ (16,616.5)	$ (21,532.2)	$ (12,743.2)	$ (14,271.4)	$ (18,187.0)	$ (22,835.8)	$ (24,180.1)	$ (22,101.8)	$ (17,666.8)	$ (19,084.9)	$ (10,707.4)	$ (213,717.3)
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)		$ 41,875.8	$ 36,073.7	$ 27,047.9	$ 10,138.6	$ 875.5	$ (8,021.7)	$ (13,684.7)	$ (14,124.5)	$ (10,899.5)	$ 2,916.6	$ 31,388.7	$ 53,537.4	$ 157,123.9

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 JUL 2024 TO JUN 2025
FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 2024

Line	Particulars	Unit	Residential RS-1	Residential FEFN RS-1	Commercial RS-2	Commercial FEFN RS-2	Commercial RS-3	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) (d), (e)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1	**MCRA Sales Quantity** (Natural Gas & Propane)	TJ	83,579.6	232.9	29,551.9	157.6	26,922.0	104.0	23,538.4	18.8	*164,105.1*	180.6	6,516.3	334.0	-	31,363.9
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	267,234.0	37.2	97,241.5	25.9	74,714.0	14.4	43,914.9	18.8	*483,200.7*					
6	Load Factor Adjusted Volumetric Allocation	%	55.305%	0.008%	20.124%	0.005%	15.462%	0.003%	9.088%	0.004%	100.000%					
7																
8	**MCRA Cost of Gas - Load Factor Adjusted Allocation**															
9	Midstream Commodity Related Costs (Net of Mitigation)	$000	$ (5,101.1)	$ (0.7)	$ (1,856.2)	$ (0.5)	$ (1,426.2)	$ (0.3)	$ (838.3)	$ (0.4)	**$ (9,223.6)**					
10	Storage Related Costs (Net of Mitigation)	$000	37,237.0	5.2	13,549.8	3.6	10,410.8	2.0	6,119.2	2.6	**67,330.3**					
11	Transportation Related Costs (Net of Mitigation)	$000	62,710.0	8.7	22,819.0	6.1	17,532.6	3.4	10,305.2	4.4	**113,389.5**					
12	GSMIP Incentive Sharing	$000	1,382.6	0.2	503.1	0.1	386.6	0.1	227.2	0.1	**2,500.0**					
13	Core Market Administration Costs - MCRA 70%	$000	2,342.2	0.3	852.3	0.2	654.8	0.1	384.9	0.2	**4,235.0**					
14	**Total Midstream Cost of Gas Allocated by Rate Class**	$000	$ 98,570.6	$ 13.7	$ 35,868.0	$ 9.6	$ 27,558.6	$ 5.3	$ 16,198.2	$ 6.9	**$ 178,231.1**					
15	T-Service UAF to be recovered via delivery revenues [b]										652.1					
16	**Total MCRA Gas Costs** [c]										$ 178,883.2					
17	**1/2 of Pre-Tax Amort. MCRA Deficit/(Surplus) as of Jul 1, 2024**	$000	$ (33,890.5)	$ (4.7)	$ (12,332.1)	$ (3.3)	$ (9,475.2)	$ (1.8)	$ (5,569.3)	$ (2.4)	**$ (61,279.4)**					
18																
19											**Average**					
20	**MCRA Cost of Gas Unitized**										**Costs**					
21	**MCRA Flow-Through Costs before MCRA deferral amortization**	$/GJ	$ 1.1794	$ 0.0590	$ 1.2137	$ 0.0607	$ 1.0236	$ 0.0512	$ 0.6882	$ 0.3690	$ 1.0861					
22	**MCRA Deferral Amortization via Rate Rider 6**	$/GJ	$ (0.4055)	$ (0.0203)	$ (0.4173)	$ (0.0209)	$ (0.3520)	$ (0.0176)	$ (0.2366)	$ (0.1269)	$ (0.3734)					

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 6.1.
(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 JUL 2024 TO JUN 2025
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - MAY 8, 9, 10, 13, AND 14, 2024

Line	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Opening balance	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	Forecast Apr-25	Forecast May-25	Forecast Jun-25	**Jul-24 to Jun-25 Total**
1	**MCRA COSTS** ($000)														
2	Midstream Commodity Related Costs														
3	Propane Available for Sale - Purchase & Inventory Change		$ 126.8	$ 117.0	$ 134.6	$ 275.1	$ 420.6	$ 602.0	$ 665.1	$ 594.4	$ 460.3	$ 267.6	$ 158.7	$ 127.4	$ 3,949.6
4	Propane Costs Recoveries via Commodity Rates		(22.9)	(21.7)	(25.2)	(50.3)	(74.1)	(104.6)	(111.2)	(99.6)	(80.9)	(49.4)	(31.2)	(25.1)	(696.2)
5	Propane Costs to be Recovered via Midstream Rates		$ 103.9	$ 95.3	$ 109.5	$ 224.9	$ 346.4	$ 497.4	$ 553.9	$ 494.8	$ 379.5	$ 218.2	$ 127.5	$ 102.3	$ 3,253.5
6	FEFN Supply Portfolio Costs		$ 12.2	$ 14.9	$ 27.6	$ 68.3	$ 154.2	$ 227.8	$ 242.1	$ 191.1	$ 156.7	$ 94.8	$ 47.4	$ 25.5	$ 1,262.7
7	FEFN Costs Recovered from Commodity Rates		(14.9)	(18.5)	(34.3)	(79.8)	(138.0)	(192.3)	(197.8)	(155.8)	(131.9)	(79.2)	(39.7)	(20.6)	(1,102.9)
8	FEFN Costs to be Recovered via Midstream Rates		$ (2.8)	$ (3.6)	$ (6.7)	$ (11.5)	$ 16.3	$ 35.5	$ 44.2	$ 35.3	$ 24.8	$ 15.6	$ 7.6	$ 5.0	$ 159.8
9	Midstream Natural Gas Costs before Hedging [a]		$ 41.1	$ 47.2	$ 63.3	$ 90.4	$ 11,100.7	$ 15,516.5	$ 16,610.8	$ 15,000.7	$ 13,127.7	$ 168.1	$ 164.9	$ 158.1	$ 72,089.5
10	Imbalance [b]		-	-	-	-	-	(620.3)	-	-	-	-	-	-	(620.3)
11	Company Use Gas Recovered from O&M		(185.4)	(123.6)	(172.4)	(257.8)	(552.7)	(897.1)	(1,046.2)	(824.8)	(702.1)	(490.9)	(275.1)	(243.7)	(5,771.7)
12	Storage Withdrawal / (Injection) Activity [c]		(5,565.6)	(8,134.3)	(7,682.6)	(2,335.4)	5,959.5	12,278.7	12,807.1	11,676.7	9,358.2	(982.7)	(10,021.0)	(15,513.3)	1,845.3
13	Total Midstream Commodity Related Costs		$ (5,608.6)	$ (8,119.1)	$ (7,688.8)	$ (2,289.4)	$ 16,870.2	$ 26,810.7	$ 28,969.7	$ 26,382.7	$ 22,188.0	$ (1,071.6)	$ (9,996.0)	$ (15,491.8)	$ 70,956.1
14															
15	Storage Related Costs														
16	Storage Demand - Third Party Storage		$ 5,155.8	$ 5,291.5	$ 5,280.0	$ 4,990.8	$ 3,625.7	$ 3,639.6	$ 3,641.6	$ 3,621.6	$ 3,630.3	$ 3,674.6	$ 5,198.2	$ 5,354.2	$ 53,103.8
17	On-System Storage - Mt. Hayes (LNG)		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	1,624.7	1,539.6	1,890.4	19,734.9
18	Total Storage Related Costs		$ 6,754.0	$ 6,798.6	$ 6,947.8	$ 6,510.8	$ 5,433.5	$ 5,489.1	$ 5,263.8	$ 5,181.5	$ 5,177.8	$ 5,299.3	$ 6,737.8	$ 7,244.6	$ 72,838.7
19															
20	Transportation Related Costs														
21	Enbridge (BC Pipeline) - Westcoast Energy		$ 14,535.7	$ 14,596.6	$ 14,523.5	$ 14,669.4	$ 17,483.2	$ 17,487.0	$ 17,600.5	$ 17,301.8	$ 17,378.3	$ 14,853.7	$ 14,601.2	$ 14,599.5	$ 189,630.4
22	TC Energy (Foothills BC)		582.2	582.2	582.2	582.2	582.2	582.2	593.9	593.9	593.9	593.9	593.9	593.9	7,056.6
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		462.9	462.6	438.5	442.0	443.5	478.5	478.5	470.9	482.7	447.1	450.6	459.5	5,517.2
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		$ 17,779.0	$ 17,839.6	$ 17,742.4	$ 17,891.9	$ 20,707.1	$ 20,745.9	$ 20,871.0	$ 20,564.7	$ 20,653.0	$ 18,092.9	$ 17,843.9	$ 17,851.2	$ 228,582.8
28															
29	Mitigation														
30	Commodity Related Mitigation		$ (8,406.9)	$ (7,425.4)	$ (4,399.7)	$ (2,158.6)	$ (9,723.0)	$ (5,385.8)	$ (7,149.4)	$ (11,225.0)	$ (14,693.9)	$ (2,398.3)	$ (3,821.0)	$ (2,740.6)	$ (79,527.6)
31	Storage Related Mitigation		(561.4)	(561.4)	(491.2)	(631.6)	(631.6)	(561.4)	(395.5)	(395.5)	(593.3)	(158.2)	(263.7)	(263.7)	(5,508.5)
32	Transportation Related Mitigation		(14,022.5)	(14,004.5)	(14,004.5)	(12,781.5)	(4,891.9)	(2,445.9)	(6,245.1)	(4,996.1)	(6,245.1)	(10,186.7)	(10,186.7)	(15,182.8)	(115,193.3)
33	Total Mitigation		$ (22,990.8)	$ (21,991.3)	$ (18,895.5)	$ (15,571.7)	$ (15,246.4)	$ (8,393.1)	$ (13,790.0)	$ (16,616.5)	$ (21,532.2)	$ (12,743.2)	$ (14,271.4)	$ (18,187.0)	$ (200,229.4)
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)		$ (3,505.2)	$ (4,910.9)	$ (1,332.8)	$ 7,102.8	$ 28,325.6	$ 45,213.9	$ 41,875.8	$ 36,073.7	$ 27,047.9	$ 10,138.6	$ 875.5	$ (8,021.7)	$ 178,883.2

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
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Utilities Commission

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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 Second Quarter Gas Cost Report**

Dear Ms. Walsh:

On May 29, 2024, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC) its 2024 Second 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 July 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