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August 23, 2022

DMG Blockchain Solutions
795 Highway 395
Christina Lake, B.C.
V0H 1E0

Attention: Mr. Sheldon Bennett

Dear Mr. Bennett:

Re: FortisBC Inc. (FBC)

**Application for Acceptance of Demand-Side Management (DSM) Expenditures
Plan for the period covering from 2023 to 2027 (Application)**

**Response to the DMG Blockchain Solutions (DMG) Information Request (IR) No.
1**

On June 6, 2022, FBC filed the Application referenced above. In accordance with regulatory timetable established in British Columbia Utilities Commission Order G-182-22 for the review of the Application, FBC respectfully submits the attached response to DMG IR No. 1.

For convenience and efficiency, FBC has occasionally provided an internet address for referenced reports instead of attaching lengthy documents to its IR responses. FBC intends for the referenced documents to form part of its IR responses and the evidentiary record in this proceeding.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC INC.

Original signed:

Diane Roy

Attachments

cc (email only): Commission Secretary
Registered Parties

FortisBC Inc. (FBC) Application for Acceptance of Demand-Side Management (DSM) Expenditures Plan for the period covering from 2023 to 2027 (Application)	Submission Date: August 23, 2022
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1 **1. Reference: Exhibit B-1, section 4.2 Consultation, page 14, lines 4-5 and 18-19.**

2 4 FortisBC also received directional feedback from the consultations. This feedback included the
3 5 following:

- 4 18 • Expand energy efficiency opportunities for existing and emerging industries (ex. cannabis
5 19 production) in the Industrial program area;

6 1.1. The Demand-Side Management Expenditures Plan (“DSM Plan”) appears to
7 contravene the feedback from the consultations and does not effectively include
8 fair attention to stakeholder and consumer interests for businesses that operate in
9 emerging industries, predominantly operating in remote areas, and that exclusively
10 rely on FBC, including businesses that operate in the cryptocurrency and
11 blockchain industry.

12 1.1.1. Is it the opinion of FBC that it can, or should, expand energy efficiency
13 opportunities for businesses in emerging industries without also
14 expanding access to energy for those same businesses, many of whom
15 desire more firm energy?

16 1.1.2. Does FBC agree that emerging industries, in order to take advantage of
17 energy efficiency opportunities, also require adequate energy to continue
18 commercially reliable operations, individually and to the industry as a
19 whole, in BC?

20 1.1.3. Please explain how FBC is going to ensure that emerging industry
21 businesses in remote areas can access the firm energy required to
22 continue commercially reliable operations and make use of energy
23 efficiency opportunities, now and in the future.

24 1.1.4. Please explain how FBC aims to expand energy efficiency opportunities
25 and increase firm energy access for emerging industries, such as
26 cryptocurrency.

27 1.1.5. Please explain how FBC aims to expand energy efficiency opportunities
28 and increase firm energy access for emerging industries which are
29 located in remote areas, many of which are important centres of business
30 innovation for emerging industries.

31 1.1.6. Please explain whether FBC has, in the past, failed to support emerging
32 industries in terms of energy efficiency opportunities and firm energy
33 access, and if it has, how it is working to improve upon those past failures.

34
35
36 **Response:**

37 FBC interprets this series of IRs as asking three fundamental questions:

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- 1 1. Should FBC expand energy efficiency opportunities for businesses in emerging
2 industries?
- 3 2. Is FBC expanding access to energy for businesses in emerging industries?
- 4 3. Can, or should, FBC expand energy efficiency opportunities for businesses in
5 emerging sectors without simultaneously expanding access to energy for
6 businesses in those same sectors?

7 FBC submits that only the first question is within scope of this proceeding. The purpose of the
8 Demand-Side Management Expenditures Plan is to review FBC's proposed demand-side
9 management (DSM) expenditures for 2023 to 2027. In general, DSM is intended to provide an
10 alternative means to meeting utility load that reduces the need for additional supply-side solutions
11 such as additional installed generation or power purchases. In other words, DSM is a resource
12 relied upon by the utility to meet load.

13 Questions regarding load forecasting for particular customer segments and the resource planning
14 required to meet changing or increasing loads generally, or for particular segments or geographic
15 locations, are properly considered as part of other regulatory processes, particularly FBC's Annual
16 Review for 2023 Rates and the Long Term Electric Resource Plan (LTERP), the former of which
17 is currently an active proceeding with the BCUC. Accordingly, FBC respectfully declines to
18 provide responses to the portions of this question that are not relevant to the DSM Expenditures
19 Plan and provides below information on the treatment of emerging industries as part of DSM
20 planning.

21 Typically, FBC develops new programs and measures to address energy efficiency opportunities
22 in end-uses identified as part of the Conservation Potential Review process (detailed in Section
23 4.4 of the Application) and/or feedback with stakeholders. As an example, FBC recently added
24 support for high efficiency lighting and HVAC upgrades in the emerging indoor horticultural
25 industry.

26 As new industries appear, FBC will continue to evaluate the savings potential of industrial
27 customers as part of Conservation Potential Review process and in consultation with
28 stakeholders. Individual businesses from industries where specific energy efficiency measures
29 have not yet been identified can still be supported though the Performance Program. The
30 Performance Program provides customers incentives to conduct energy studies to identify energy
31 efficiency options and performance-based incentives to implement energy efficiency opportunities
32 identified through the study.
33