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September 25, 2025

B.C. Sustainable Energy Association
c/o William J. Andrews, Barrister & Solicitor
70 Talbot Street
Guelph, ON
N1G 2E9

Attention: William J. Andrews

Dear William J. Andrews:

Re: FortisBC Inc. (FBC)

2025 and 2026 Annual Review of Rates (Application)

Response to the B.C. Sustainable Energy Association (BCSEA) Information Request (IR) No. 1

On July 31, 2025, FBC filed the Application referenced above. In accordance with the regulatory timetable established in British Columbia Utilities Commission Order G-180-25 for the review of the Application, FBC respectfully submits the attached response to BCSEA IR No. 1.[1]

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC INC.

Original signed:

Sarah Walsh

Attachments

cc (email only): Registrar
Registered Interveners

[1] For convenience and efficiency, if FBC has provided an internet address for referenced reports instead of attaching the 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.

1.0 Topic: Demand-Side Management Savings

Reference: Exhibit B-2, Table 3-1: Forecast Incremental 2025 Projected and 2026 Forecast DSM Savings (GWh), page 16, pdf p.25

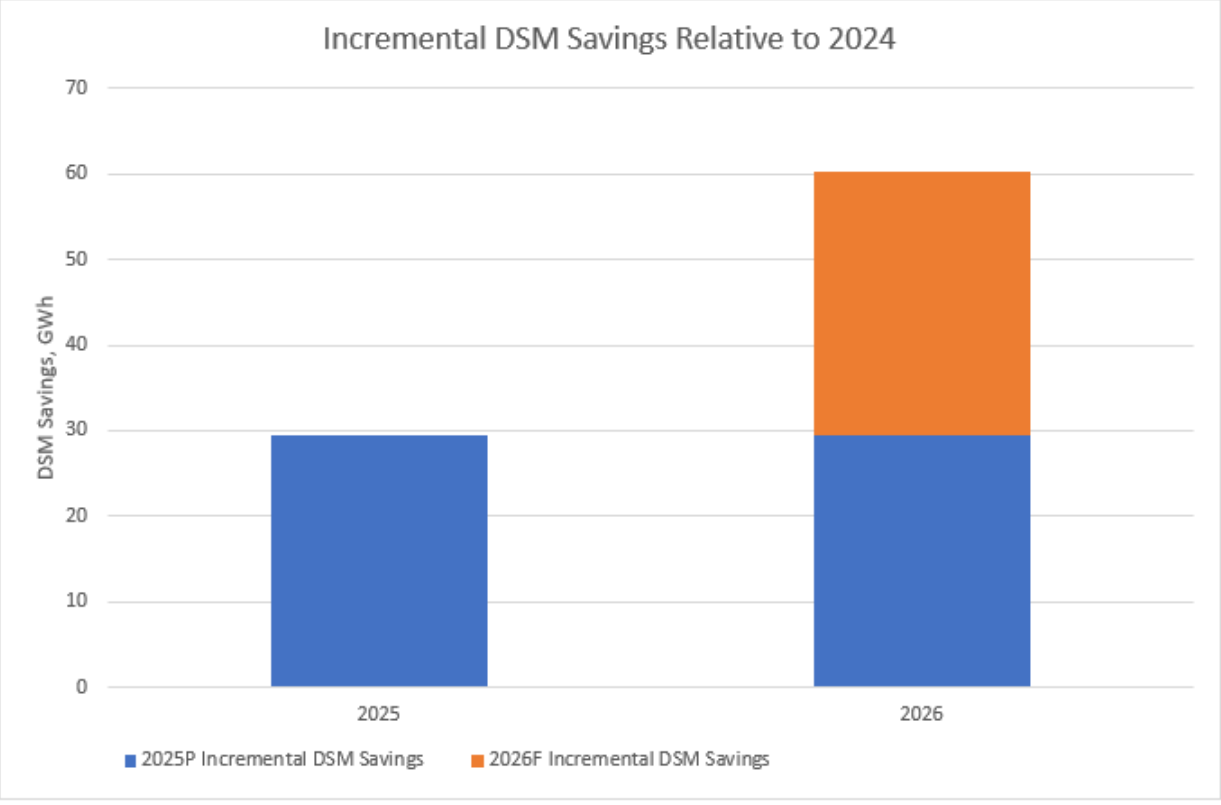
1.1 Please explain the large increase in estimated DSM savings in 2026.

Response:

As explained in Footnote 10 to Table 3-1 in the Application, both the 2025 Projected and 2026 Forecast incremental DSM savings are compared to the actual embedded DSM savings up to 2024. Therefore, the incremental 2025 Projected DSM savings persist in the 2026 Forecast.

This approach ensures that, when combined with the before-savings load forecast for 2026, the after-savings load is accurately represented (i.e., it takes into account both the 2025 and 2026 DSM savings that are not already embedded in the load forecast).

Please refer to the following figure which illustrates that the 2026 incremental DSM savings include savings from both 2025 and 2026 because the incremental 2025 Projected DSM savings persist in the 2026 Forecast. This makes the 2026 savings appear larger than the savings in 2025. However, the forecast savings from the DSM planned for 2026 (the orange bar) is actually very similar to the forecast savings from the DSM planned for 2025 (the blue bar).



The following table provides a breakout of the 2025 and 2026 DSM program end uses for calculating the savings. Also included is the cumulative 2025 and 2026 total which corresponds to the 2026F information.

Program End Use	2025 Savings (MWh)	2026 Savings (MWh)	Total 2025 and 2026 Savings (MWh)
Residential water heating	63	69	131
Residential space heating	1,587	1,746	3,333
Residential other	3,023	3,326	6,349
Commercial lighting	10,890	11,216	22,106
Commercial HVAC	1,485	1,530	3,015
Commercial new building	176	181	357
Commercial other	1,364	1,405	2,769
Industrial	8,252	8,500	16,752
Irrigation	175	180	356
Streetlights	236	243	479
Total MWh	**27,252**	**28,396**	**55,648**

2.0 Topic: Historical Context of 2025, 2026 Permanent Rates

Reference: Exhibit B-2

2.1 Please provide a graph and table showing FBC's annual and cumulative rates and rate changes from 2016 to 2024 (approved) and 2025 to 2026 (proposed permanent) in comparison with a representative index of inflation.

Response:

Please refer to Table 1 and Figure 1 below for the approved annual and cumulative rate changes from 2016 to 2024, and the proposed rate changes for 2025 and 2026. FBC notes the average rate increase per year from 2016 to 2026 is approximately 3.12 percent (i.e., 34.37 percent / 11 years). The table and graph also provide a comparison of the rate changes with BC CPI between 2016 and 2025 (up to July 2025).

Table 1: Annual and Cumulative Rate Changes from 2016 to 2024 Approved and 2025 and 2026 Proposed with Comparison to BC CPI from 2016 to 2025 (up to July 2025)[1]

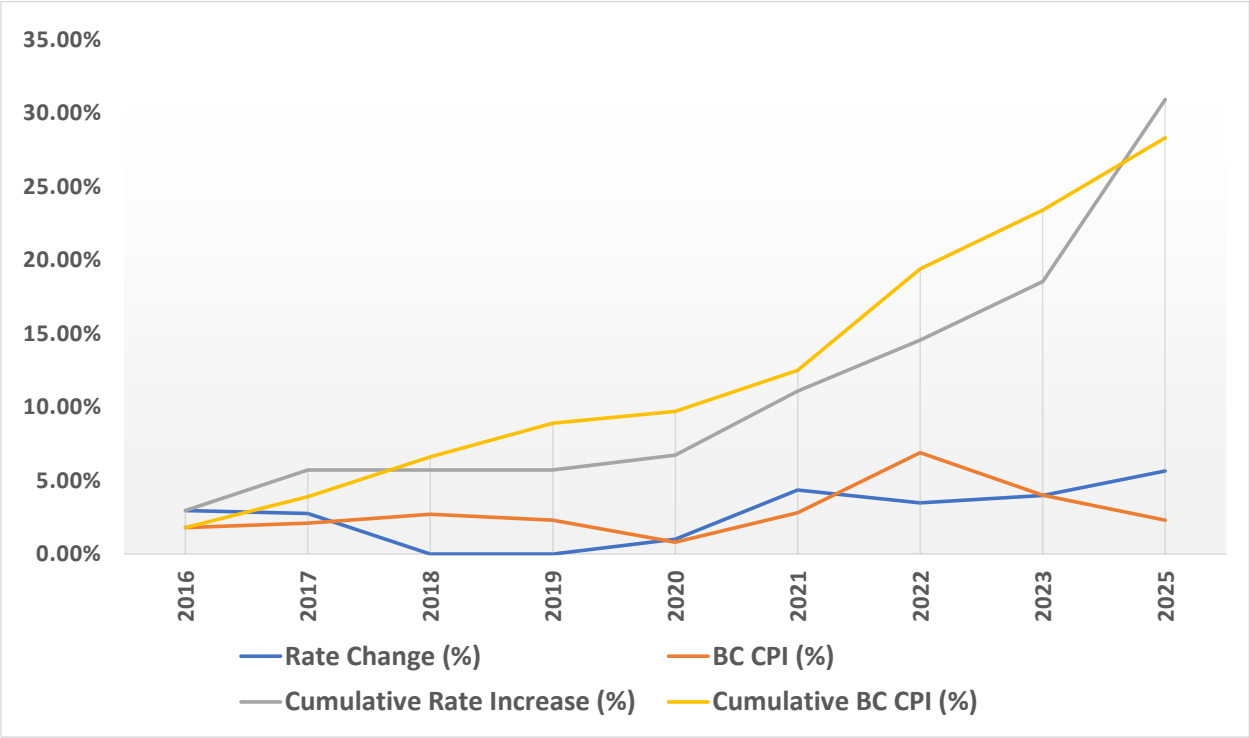
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Rate Change (%)	2.96%	2.76%	0.00%	0.00%	1.00%	4.36%	3.47%	3.98%	6.74%	5.65%	3.45%
Cumulative Rate Increase (%)	2.96%	5.72%	5.72%	5.72%	6.72%	11.08%	14.55%	18.53%	25.27%	30.92%	34.37%
BCUC Order	G-202-15	G-8-17 & G-11-17	G-38-18 & G-131-18	G-246-18 & G-74-19	G-42-21	G-42-21	G-374-21	G-382-22	G-340-23	G-314-24 (Interim)	
BC CPI (%)	1.80%	2.10%	2.70%	2.30%	0.80%	2.80%	6.90%	4.00%	2.60%	2.30%	
Cumulative BC CPI (%)	1.80%	3.90%	6.60%	8.90%	9.70%	12.50%	19.40%	23.40%	26.00%	28.31%	
										See Note 2	

Notes to table:

1 Source: BC Stats Release Consumer Price Index (CPI) Data Tables and Highlights (https://catalogue.data.gov.bc.ca/dataset/2c75c627-3eb6-41ee-bb54-7b089eade484/resource/17289c62-e7a0-484b-8300-ed6e002b5a88).

2 Based on 12-month average of BC CPI up to July 2025.

Figure 1: Annual and Cumulative Rate Changes from 2016 to 2024 Approved and 2025 Interim with Comparison to BC CPI from 2016 to 2025 (up to July 2025)



3.0 Topic: Productivity Initiatives

Reference: Exhibit B-2

3.1 Please explain why FBC appears to have no productivity initiatives for 2025 and 2026.

Response:

FBC continues to pursue productivity improvements to achieve savings beyond the embedded productivity improvement factor (i.e., X-Factor) approved in the RSF Decision; however, FBC does not have any specific initiatives to report on in this Application. FBC notes that it similarly did not report on any productivity initiatives in the Annual Review for 2020-2021 Rates. As was the case at the time FBC filed the 2020-2021 Annual Review, the current RSF has only recently been approved and FBC's focus has been on implementing the RSF throughout the organization, including the increased capital plan.

The current RSF is approved for only three years. As discussed in the RSF Application, the trade-off of a shorter RSF term is that there is less time to realize efficiencies, as FBC's focus is first on implementing the RSF, then operating within the RSF, and then, during 2026, FBC's focus will be shifting to determining the next rate-setting plan, including responding to the BCUC's directives from the RSF Decision pertaining to what must be included in the next rate-setting application.

FBC also notes that it will be including a discussion of the total formula O&M savings realized during the RSF term as part of the next rate-setting application (which will be filed in 2027). This would be an appropriate time to discuss the contributors to any O&M savings realized during the RSF term as enough time will have elapsed for FBC to provide a fulsome discussion of the drivers of O&M savings, which may include specific productivity initiatives.

4.0 Topic: EV DCFC (Public Fast Charging Service)

Reference: Exhibit B-2, 3.5 3.5 EV DCFC Service (RS 96) Forecast, page 30, pdf p.39; Table 3-4: FBC EV DCFC Station Utilization and RS 96 Revenue Forecast, page 31, pdf p.40; 7.3.2.1 EV DCFC Stations, page 57, pdf p.66

4.1 Please provide a version of Table 3-4 with a breakdown of 50 kW and 100 kW stations.

Response:

Please refer to Table 1 below which provides the breakdown of charging minutes, EV DCFC load under RS 21, number of stations, station utilization, and RS 96 revenue between the 50 kW and 100 kW charging stations.

Table 1: Breakdown of FBC EV DCFC Station Utilization and RS 96 Revenue Forecast Between 50 kW and 100 kW Stations

		2024 Approved	2024 Actual	2025 Projected	2026 Forecast
1	Total Charging Minutes for All Stations				
2	50 kW	782,820	777,408	1,136,985	1,546,688
3	100 kW	149,053	213,065	349,434	594,187
4	Total (Minutes)	931,874	990,472	1,486,419	2,140,875
5					
6	Total EV DCFC Load under RS 21 (GWh)[1]				
7	50 kW	0.575	0.474	0.625	0.802
8	100 kW	0.203	0.269	0.391	0.614
9	Total (RS 21 Load)	0.777	0.743	1.016	1.415
10					
11	Total Stations				
12	50 kW	34	34	34	34
13	100 kW	8	8	8	14
14	Total (Stations)	42	42	42	48
15					
16	Station Utilization (%)[2]				
17	50 kW	4.4%	4.4%	6.4%	8.7%
18	100 kW	3.5%	5.1%	8.3%	8.1%
19	Total Stations Utilization	4.2%	4.5%	6.7%	8.5%
20					
21	RS 96 Revenue, excl. 15% fee ($ millions)[3]				
22	50 kW	$ 0.173	$ 0.162	$ 0.221	$ 0.301
23	100 kW	$ 0.068	$ 0.079	$ 0.106	$ 0.180
24	Total (Revenue)	$ 0.241	$ 0.240	$ 0.327	$ 0.480

Notes to table:

[1] Total electricity metered at the stations, excluding the electric load from stations in Nelson, Grand Forks, and Penticton, which are served by third-party utilities. For FBC sites that have both 50 kW and 100 kW stations, metered electricity is allocated based on dispensed electricity.

[2] Station utilization is calculated from the number charging minutes (for 50 kW, 100 kW, or total stations) divided by the number of minutes the stations are available to the public throughout the year (i.e., 24 hours for 365 days per year, multiplied by the number of stations). In 2026, there is a minor decrease in 100 kW station utilization due to the three-year ramp up period of the six new 100 kW stations.

[3] The 2024 Approved revenue was estimated based on the approved time-based rate for the 50 kW and 100 kW stations, while the 2024 Actual revenue includes revenues at the approved time-based rate until July 31, 2024, in addition to revenues at the approved energy-based rate from August 1, 2024, until year-end.

4.2 Please explain why all six new stations will be 100 kW DCFC stations (as opposed to some other size)? Does 100 kW come from the terms and conditions of funding through NRCan? Does FBC consider 100 kW to be the standard for its new DCFC stations?

Response:

Through the utilization data of FBC's existing stations that includes session counts and energy throughput, FBC has observed an increasing customer preference for the 100 kW stations over the 50 kW stations. As such, based on FBC's experience and trends observed, FBC considers stations with 100 kW capacity are sufficient to meet the current and anticipated demand at the four selected locations (i.e., existing sites at Kelowna and Salmo, and new sites at Midway and Hedley) where the new stations will be installed. Furthermore, the six new stations will be funded by CleanBC and NRCan. In the case of NRCan, FBC amended an existing agreement to include the installation of six 100 kW stations within its public EV DCFC network. At this time, installing 50 kW stations or stations with other capacities would alter the eligible funding available and would require a further amendment to the agreement with NRCan.

FBC has not set a standard for new DCFC stations. The selection of station locations for new chargers, as well as their power levels, is guided by observed driver behaviour, customer feedback, community needs, and the availability of funding support. These factors are considered collectively to determine the most appropriate station type for each installation. FBC's experience with its 100 kW stations indicates they continue to meet the present needs; however, FBC will continue to monitor market developments and evaluate whether other station types or stations with higher power levels may become more suitable for its RS 96 service.

4.3 FBC says the six new stations will be fitted with Combined Charging Systems (CCS) and North American Charging Standard (NACS) connectors. Does FBC anticipate retrofitting its existing EV DCFC stations for NACS compatibility?

Response:

FBC's existing EV DCFC stations are not currently capable of being retrofitted for NACS compatibility, and only new charging stations will include NACS connectors. At present, vehicles equipped with NACS connectors can charge at FBC's existing stations using CCS or CHAdeMO adapters that are owned by the individual EV charging customers. FLO has previously indicated to FBC that they do not plan to offer a near-term retrofit option to incorporate NACS connectors for existing stations since retrofitting would require more than a charging port replacement. Retrofitting will require additional hardware upgrades and reprogramming protocols, which add both costs and complexity. FBC will re-consider in the future if FLO decides to offer a retrofit option.

4.4 Please discuss the extent to which the existing EV DCFC stations and the six new EV DCFC stations will be accessible for persons with disabilities in 2025-2026.

Response:

As part of FBC's efforts to enhance EV station accessibility, FBC considers factors such as lighting, paving, curb avoidance, charger height, and stall width. Although there are currently no formal industry standards for accessible EV station design, FBC evaluates improvement opportunities at its existing stations and prioritizes upgrades that offer the most benefit to customers across its sites.

Lighting was identified as the most common opportunity for improvement at FBC's existing stations. Accordingly, FBC is deploying dusk to dawn lighting to ensure adequate illumination during evening hours, as discussed in Section 7.3.2.1 of the Application. By the end of 2026, FBC anticipates that lighting upgrades will be complete, except at locations where future opportunities to enhance overall site accessibility are still being evaluated.

Paving was also identified as a key area for improvement. As such, FBC continues to pave existing locations in 2025 as well as lowering charger height where appropriate. Once this work is complete, only the Rossland, Christina Lake, and Kaslo stations will remain with packed gravel access. Moving forward, FBC will continue to evaluate accessibility improvements and monitor customer feedback to determine if further work can be completed at existing sites.

FBC's new EV DCFC stations will feature site designs that incorporate accessibility considerations, including lighting, paving, stall width, and curb avoidance. These features will be

included in the scope during site design for FBC's new stations in Midway, Hedley, and Salmo, and accessibility improvements will also be implemented when adding the third charger to the Kelowna Museum location. All of these installations for the new stations are expected to be complete in 2026.

4.5 What is the current status of, and the 2025-2026 outlook for, implementation of idling charges at FBC's public fast charging stations?

Response:

As discussed in the response to ICG IR1 3.1, FBC requires software enablement from FLO to implement the idling charge of $0.40 per minute. This capability is not expected to be available before the end of 2025. As discussed in Section 3.5 of the Application, FBC will provide notice once the system can support the idling charge and, in accordance with Order G-176-24, will file a revised RS 96 tariff at least 15 days prior to the effective date.

4.6 Please confirm that the six new EV DCFC stations will be prescribed undertakings under section 5 of the GGRR.

Response:

Confirmed.

5.0 Topic: LCFS Carbon Credits

Reference: Exhibit B-2, CLEAN GROWTH INITIATIVE – EV DCFC STATIONS CARBON CREDITS, pages 46-47, pdf pp.55-56

5.1 Please briefly elaborate on FBC's experiences with validation of claimed carbon credits and monetization of validated carbon credits under the BC Low Carbon Fuel Standard. Does FBC expect the situation to improve in 2025-2026?

Response:

FBC complies with BC Low Carbon Fuel Standard (LCFS) reporting requirements to support carbon credit validation. The LCFS compliance period runs from January 1 to December 31, with reporting due by March 31 of the following year. FBC's experience with credit validation has varied. Credits from 2018 to 2020 were not validated until 2022, while credits from 2021 to 2023 were validated in 2024. Credits from 2024 remain pending given the compliance report was only submitted to the BC LCFS in March of 2025.

Once validated, FBC seeks buyers through the BC LCFS website, with transfers completed through the LCFS Portal. Monetization outcomes have also varied from year to year. In 2022, FBC monetized credits at $450 per credit, generating $0.744 million in revenue, whereas in 2024, FBC only received limited offers with prices well below the average market price of $258.74 per credit.[1]

FBC continues to comply with LCFS requirements and, as discussed in the response to BCUC IR1 5.1, FBC is actively pursuing monetization opportunities at more reasonable prices. FBC anticipates the credit market will eventually stabilize, potentially in 2026 or after, which will lead to improved offers for its credits and will be more beneficial to customers than monetizing credits at below-average market prices.

[1] Average price per credit from BC LCFS 2025 Q2 credit market data.

6.0 Topic: EV Fleet & Workplace Charging Funding Program

Reference: Exhibit B-2, BCUC Order G-11-23; EV Fleet & Workplace Charging Funding Account, UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE Schedule 11 FOR THE YEAR ENDING DECEMBER 31, 2025, page 89, pdf p.98, line 20; UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE Schedule 11 FOR THE YEAR ENDING DECEMBER 31, 2026, page 121, pdf p.130, line 19.

6.1 What is the current status of, and the 2025-2026 outlook for, FBC's EV Fleet & Workplace Charging Funding Program?

Response:

To date, FBC has successfully funded two level 2 chargers to support workplace EV charging; however, no fleet or multi-unit residential level 2 chargers have been funded through the EV Workplace and Fleet Charging Funding Program (Program). There are currently six projects eligible for funding, contingent on applicants completing charger installation before year-end and agreeing to the terms of the Program. FBC will continue to encourage participation in the Program until December 31, 2025, after which the Program, as approved, will no longer be open to new applicants. As a result, no funding is expected to be delivered in 2026.

7.0 Topic: Energy-Based Rates for EV DCFC Service

Reference: FBC EV DCFC Energy-Based Rate Proceeding, FBC Response to BCSEA-VEVA IR 1.2 (Exhibit B-6)

7.1 What is the current status of, and the 2025-2026 outlook for, approval (or dispensation) by Measurement Canada of energy-based rates ($/kWh) for EV DCFC service by FBC?

Response:

There has been no change since Measurement Canada announced its temporary dispensation program on February 20, 2023, which permits the use of energy-based (i.e., kWh) meters at level 3+ EV charging stations without verification and sealing, subject to the terms and conditions of the temporary dispensation program.[2]

On March 15, 2024, FBC received approval under Measurement Canada's temporary dispensation program to charge energy-based rates at its existing stations that qualify under the criteria for level 3+ EV charging stations installed prior to July 1, 2024. The approval became effective immediately and remains valid until January 1, 2030 (or until the devices are verified in accordance with the *Electricity and Gas Inspection Act* or removed from service). FBC confirms that its existing stations remain in compliance with the temporary dispensation program terms and conditions.

For level 3+ EV charging stations installed between July 1, 2024, and December 31, 2029, Measurement Canada lists additional eligibility criteria for temporary dispensation, including verification that electricity supplied to customers is within an acceptable error limit of ± 3 percent. FBC intends to install station equipment that meets these requirements and will apply for temporary dispensation approval during the construction and commissioning of its six new 100 kW stations in 2026. These stations will not be placed into service until approval is received from Measurement Canada for temporary dispensation of energy-based rates on the new station equipment.

The requirements and specifications for stations installed after December 31, 2029 are unknown at this time. FBC expects to address any new requirements that may be announced by Measurement Canada prior to the end of the temporary dispensation program.

[2] https://ised-isde.canada.ca/site/measurement-canada/en/consultations/temporary-dispensation-level-3-electric-vehicle-supply-equipment.

8.0 Topic: Climate Change Operational Adaptation

Reference: Exhibit B-2, UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE Schedule 11 FOR THE YEAR ENDING DECEMBER 31, 2025, line 28, page 89, pdf p.98; UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE Schedule 11 FOR THE YEAR ENDING DECEMBER 31, 2026, line 26, page 121, pdf p.130

8.1 What is the current status of, and the 2025-2026 outlook for, FBC's Climate Change Operational Adaptation program?

Response:

FBC will continue to apply the Climate Change Risk Assessment (CCRA) results over 2025/2026 through completion of asset-specific assessments. As part of this work, additional climate hazard studies are either underway or will be initiated for the climate hazard-asset interactions flagged as high risk or low probability-high consequence in the CCRA. In 2025, climate hazard studies for landslide/debris flow, wildfire, and flooding are underway. In 2026, these asset-specific assessments will continue, and FBC may initiate a wind study as well. Once the specific assets at risk are identified for each climate hazard, FBC will then develop plans to mitigate and adapt these assets to the climate hazard risks. FBC will consider the results and what applications might be necessary to implement the plan.