

Diane Rov

Vice President, Regulatory Affairs

Gas Regulatory Affairs Correspondence Email: gas.regulatory.affairs@fortisbc.com

Electric Regulatory Affairs Correspondence Email: <u>electricity.regulatory.affairs@fortisbc.com</u> **FortisBC**

16705 Fraser Highway Surrey, B.C. V4N 0E8 Tel: (604)576-7349 Cell: (604) 908-2790 Fax: (604) 576-7074 www.fortisbc.com

February 18, 2021

British Columbia Public Interest Advocacy Centre Suite 803 470 Granville Street Vancouver, B.C. V6C 1V5

Attention: Ms. Leigha Worth, Executive Director

Dear Ms. Worth:

Re: FortisBC Energy Inc. (FEI)

Project No. 1599129

Application for a Certificate of Public Convenience and Necessity (CPCN) for the Pattullo Gas Line Replacement Project (the Application)

Response to the British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and the Tenant Resource and Advisory Centre *et al.* (BCOAPO) Information Request (IR) No. 2

On August 31 2020, FEI filed the Application referenced above. In accordance with the British Columbia Utilities Commission Order G-350-20 setting out a further Regulatory Timetable for the review of the Application, FEI respectfully submits the attached response to BCOAPO IR No. 2.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

cc (email only): Commission Secretary

Registered Parties



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FortisBC Energy Inc. (FEI or the Company) Application for a Certificate of Public Convenience and Necessity for the Pattullo Gas Line Replacement Project (Amended Application) Response to British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and the Tenant Resource and Advisory Centre et al. (BCOAPO) Information Request (IR) No. 2

1.0 Reference: Exhibit B-7, BCOAPO IR 1.1

- 2 The response to the referenced IR includes the following:
- A specific circumstance under which FEI would be financially responsible for a cost overrun would be where unknown or unexpected subsurface and underground conditions are discovered. For example, where the contractor encounters rock, cobble, or boulders or unanticipated third party utilities potentially requiring rework or workarounds to resolve.
 - 1.1 Would this circumstance result in FEI's financial responsibility in the event that it could be shown that the contractor had not undertaken adequate core sampling prior to encountering unexpected subsurface or underground conditions?

Response:

FEI does not expect the contractor to be responsible for undertaking core sampling for the PGR Project prior to conducting ground disturbance. FEI will complete geotechnical studies during the detailed design and prior to entering into the construction contract. In general, whether a particular circumstance would result in FEI's financial responsibility would depend on the terms negotiated with the contractor.



FortisBC Energy Inc. (FEI or the Company) Application for a Certificate of Public Convenience and Necessity for the Pattullo Gas Line Replacement Project (Amended Application)

Response to British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and the Tenant Resource and Advisory Centre *et al.* (BCOAPO) Information Request (IR) No. 2

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Submission Date:

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2.0 Reference: Exhibit B-6, BCUC IR 15.6

2.1 With respect to the formal risk analysis described in the referenced IR, can FEI confirm that it will use estimated variances (or standard deviations) of variables as inputs to the exercise? If so, please list the variables and their means and standard deviations that FEI will use as inputs in the risk analysis exercise.

Response:

FEI will not use estimated variances (or standard deviations) of variables as inputs in the risk analysis exercise described in response to BCUC IR1 15.6. The methodology employed by FEI for the formal (quantitative) risk analysis is described on page 6 of the report in Confidential Appendix E-2 - Validation Estimating Contingency Report. The methodology relies on quantifying the scope of cost and schedule impacts for critical risks identified through the risk management process. The scope of the impact is expressed as a range of likely impacts and assigns a probability distribution curve to the risk event's impact, which is then used as an input to the risk quantification tool.

2122 Response:

23 Please refer to the response to BCOAPO IR2 2.1.

2.2 Please describe the data sources that FEI will use in conducting the risk analysis exercise.