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Electronic Filing

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

Attention: Mr. Patrick Wruck, Commission Secretary

Dear Sirs/Mesdames:

Re: FortisBC Energy Inc. (“FEI”) Application for a Certificate of Public Convenience and Necessity (“CPCN”) for the Pattullo Gas Line Replacement Project (“PGR Project” or “Project”) – Supplemental Final Argument

Further to the British Columbia Utilities Commission (“BCUC”) letter of April 12, 2021,¹ FEI is filing this Supplemental Final Argument related to the revised construction timeline of the Pattullo Bridge Replacement Project. As shown in FEI’s responses to the supplemental information requests (“IRs”),² the revised construction timeline does not impact the cost, schedule or alternatives analysis for the Project. As such, FEI respectfully submits that the BCUC should issue a CPCN for the Project as requested.

In the submissions below, FEI makes the following key points:

1. FEI does not have any certainty regarding the extent of any delay in the Pattullo Bridge Replacement Project.
2. FEI is prudently maintaining the PGR Project schedule.
3. The revised timeline does not impact the PGR Project cost estimate.
4. The revised timeline does not alter FEI’s analysis of alternatives.

¹ Exhibit A-9.

² Exhibit B-15.



FEI Does Not Have Any Certainty Regarding the Revised Construction Timeline

On April 1, 2021, the Government of British Columbia announced in a news release that the construction timeline for the Pattullo Bridget Replacement Project has shifted from late 2023 into 2024.³ The news release states:

On-site investigative work and permitting processes have taken longer than anticipated due to the complexities of the project and challenges presented by the COVID-19 pandemic. As a result, the construction timeline for the project has been adjusted, moving the bridge opening date from late 2023 into 2024. The project team is reviewing options to mitigate the delay and have the bridge open as early as possible.

FEI has not been provided with information from the Ministry of Transportation and Infrastructure (“MoTI”) beyond the news release.⁴

The news release does not identify a specific opening date for the New Bridge, simply referring to an opening date “into 2024”. FEI does not know whether the New Bridge is expected to be completed in early or late 2024. Further, the news release indicates that the “project team is reviewing options to mitigate the delay and have the bridge open as early as possible”. It therefore appears that the timing of the opening of the New Bridge is still subject to change and, based on the wording of the news release, could be delayed by only a few months (i.e., into early 2024), or, if the delay can be appropriately mitigated, could proceed as originally scheduled.⁵ The result is that, based on the information available at the time of filing, FEI has no certainty about the extent of any schedule delay in the opening of the New Bridge.

FEI is Prudently Maintaining the Project Schedule

Given the need to replace the capacity of FEI’s Pattullo Gas Line,⁶ FEI is prudently maintaining the Project schedule. FEI continues to progress work on the Project with the new gas line entering service in 2022 and the decommissioning, abandonment and removal of the existing Pattullo Gas Line scheduled for 2023.

Any delays to the Pattullo Bridge Replacement Project have the potential to alleviate project risks, including uncertainty with respect to achieving the Project schedule.⁷ For example, maintaining a 2022 in-service date for the new gas line will enable greater flexibility as FEI undertakes decommissioning, abandonment and removal work in 2023, in coordination with MoTI’s contractor.

³ Government of British Columbia, News Release dated April 1, 2021. Online: <https://news.gov.bc.ca/releases/2021TRAN0049-000604>.

⁴ Response to BCUC Panel IR2 2.1.

⁵ Response to BCUC Panel IR2 2.1.

⁶ FEI Final Argument, Part Two (pp. 3-13).

⁷ Response to BCUC Panel IR2 2.1.

The Revised Timeline Does Not Impact the Project Cost Estimate

As the revised construction timeline for the Pattullo Bridge Replacement Project will not impact the Project schedule, there will not be any changes to the Project cost estimate. FEI developed the AACE Class 4 cost estimate using current market pricing for services and materials and included the impacts of escalation and risks.⁸

The Revised Timeline Does Not Alter FEI's Analysis of Alternatives

FEI has provided robust evidence to support its selection of the Sperling Route as the preferred alternative. FEI's development of the Project and associated alternatives has been thorough and has led to the most cost-effective and feasible alternative being selected.

The adjustment to the timeline for the Pattullo Bridge Replacement Project does not impact the feasibility of any alternatives. As discussed above, FEI has no certainty about the extent of any delay in the opening of the New Bridge. Therefore, FEI's analysis of the schedule impacts of the various alternatives has not changed.⁹

Work on the Sperling Route has progressed to the point where changing to a different alternative would adversely affect the Project's schedule and cost estimate, and would threaten FEI's ability to complete the Project in time to meet MoTI's schedule.¹⁰ Ultimately, the Sperling Route provides the highest level of construction productivity with the fewest utility and road crossings of all overland alternatives evaluated, and unlike the Gagliardi Route, is supported by the City of Burnaby – significantly reducing schedule risk.¹¹

Conclusion

FEI submits that the revised timeline provided in the News Release does not materially impact the evidence on the Project in this proceeding. FEI submits that the Project remains in the public

⁸ Response to BCUC Panel IR2 2.2.

⁹ Response to BCUC Panel IR2 3.1.

¹⁰ FEI anticipates that revising the alternatives and selecting a different alternative could require an additional year of project development time: response to BCUC Panel IR2 3.1.

¹¹ Response to BCUC Panel IR2 3.2.

interest and respectfully requests that the BCUC grant a CPCN for the Project and approve the PGR Application and Preliminary Stage Development deferral account.

Yours truly,

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[Original signed by]

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Encl.