



**Diane Roy**  
Vice President, Regulatory Affairs

**Gas Regulatory Affairs Correspondence**  
Email: [gas.regulatory.affairs@fortisbc.com](mailto:gas.regulatory.affairs@fortisbc.com)

**Electric Regulatory Affairs Correspondence**  
Email: [electricity.regulatory.affairs@fortisbc.com](mailto:electricity.regulatory.affairs@fortisbc.com)

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

March 16, 2022

Northern Rockies Regional Municipality  
5500 Alaska Highway  
Bag Service 399  
Fort Nelson, BC V0C 1R0

**Attention: Mr. Mike Gilbert**

Dear Mr. Gilbert:

**Re: FortisBC Energy Inc. (FEI)**  
**Project No. 1599246**

**Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)**

**FortisBC Energy Inc. Information Request (IR) No. 1 on Intervener Evidence to Northern Rockies Regional Municipality (NRRM)**

---

In accordance with the regulatory timetable established in British Columbia Utilities Commission Order G-20-22 for the review of the above noted Application, FEI respectfully submits IR No. 1 to NRRM.

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

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 1

1    **Opposition to Application**

2    **1.0    Page 1 of Northern Rockies Regional Municipality's Intervener Evidence on**  
3    **Common Rates (NRMM Evidence)**

4    NRMM's Evidence states:

5    "At the outset we would state that the NRRM unequivocally opposes FortisBC's  
6    Application for Common Rates and respectfully urges that the Commission NOT grant  
7    approval."

8    1.1    Are there any modifications that FEI could make to its common rates proposal  
9    which would change NRRM's position with respect to common rates? If yes, please  
10    explain what those modifications would be.

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 2

## 1 Major Economic Developments

### 2 2.0 Page 8 of NRRM Evidence – Distributed LNG

#### 3 NRRM's Evidence states:

While the anticipated demand for LNG that prompted a good deal of interest and investment in natural gas exploration and field development has yet to be realized, the infrastructure developed and gas reserves identified as a result remain as assets. At the same time, natural gas is seen as an important tool to displace diesel and other fuels in efforts to reduce carbon emissions in locations where power and heat are derived from the burning of fossil fuels and where renewable alternatives are not viable. This is particularly true in Canada's north. By virtue of Fort Nelson's relative proximity to northern consumers, producers of LNG for transportation by road (Distributed LNG) find our location inviting as a base for operations.

Major Project Profile – Distributed LNG		
<b>Sector</b>	Natural Gas	
<b>Supporting Assets</b>	<ul style="list-style-type: none"> <li>• Extensive known/drilled/piped natural gas reserves with infrastructure</li> <li>• Extensive underutilized refining capacity</li> <li>• Good transportation infrastructure (Alaska Hwy, Hwy #77, etc.) with advantageous connections to target users</li> <li>• Available knowledgeable labour force and support infrastructure</li> <li>• Fort Nelson's relative proximity to northern markets</li> <li>• LNG's carbon emission advantages over current fuel sources</li> </ul>	
<b>Project</b>	Cryopeak (Tamaska) – Ferus (unnamed)	
<b>Proponent(s)</b>	(2 proponents) #1 Cryopeak Solutions - #2 Ferus Natural Gas Fuels	
<b>Capital Investment</b>	<b>Cryopeak</b> – Phase 1 - \$20-23 million – Phase 2 - \$60-100 million <b>Ferus</b> - \$170-250 million	
<b>Product</b>	Liquified Natural Gas (liquified locally to be transported by road to points of consumption)	
<b>Target Market</b>	Large scale power generation (communities, mines, etc.) in Yukon, NWT and Northeast BC as a replacement/substitute for diesel	
<b>Production Volume</b>	<b>Cryopeak</b> – Phase 1 (2021-22) – 25,000 gal/day (current) Phase 2 (construction planned 2022-2023) – additional 65,000 gal/day <b>Ferus</b> – Phase 1 (construction planned 2023/24) – 300,000 gal/day Phase 2 (pending expected demand) – additional 300,000 gal/day	
<b>Direct Employment</b> (cumulative person-years for initial 5 years of project construction, commissioning & operation)	Low Estimate	High Estimate
	Total combined 98	Total combined 220
<b>Current Status</b>	<ul style="list-style-type: none"> <li>• <b>Cryopeak</b> – Phase 1 operational, Phase 2 planning in place pending</li> <li>• <b>Ferus</b> – MOU's in place with 2 major mining operators in Yukon (awaiting post-pandemic FID's)</li> </ul>	

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 3

- 1           2.1     Please clarify how the Distributed LNG Project is expected to impact the demand  
2                 for natural gas **from FEI** in the Fort Nelson Service Area.
- 3           2.2     If NRRM is expecting that Cryopeak and Ferus will purchase natural gas from FEI  
4                 (rather than a more direct source) for the purposes of producing LNG, please  
5                 explain the basis for this expectation, including any supporting evidence, and  
6                 please provide the annual estimate of natural gas consumption to be supplied by  
7                 FEI, including when this consumption would commence.
- 8           2.3     Please explain what NRRM means by “cumulative person-years for initial 5 years”.
- 9           2.4     Please provide supporting evidence for the low and high “cumulative person-years”  
10                estimates.
- 11          2.5     Please clarify how the estimates for the “cumulative person-years” are expected  
12                to impact the demand for natural gas from FEI in the Fort Nelson Service Area.
- 13                2.5.1   As part of this response, please explain whether the estimates for Direct  
14                       Employment are meant to indicate that there would be an increase of 98 to  
15                       220 new residential customers (i.e., new natural gas services) to FEI in the  
16                       Fort Nelson Service Area and, if so, please provide evidence to support  
17                       this assertion.
- 18          2.6     Please provide evidence to support the construction timeline for the Cryopeak  
19                (Phase 2) and Ferus LNG facilities.
- 20                2.6.1   As part of this response, please indicate whether the Cryopeak LNG facility  
21                       has commenced Phase 2 construction, as indicated in the project profile  
22                       (i.e., the project profile states that Phase 2 construction is planned for 2022-  
23                       2023).
- 24          2.7     Please discuss the potential obstacles and risks to each of the Cryopeak and Ferus  
25                LNG projects proceeding in the timeline shown in the table above.

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 4

### 3.0 Page 9 of NRRM Evidence – Renewable Energy - Geothermal

NRRM's Evidence states:

A very promising and timely development initiated by the Fort Nelson First Nation through its wholly owned Deh-Tai LLP development arm is the Tu-Deh-Kah Geothermal project. This forward-looking undertaking is in the early stages of development, has attracted solid financial and political backing, and has strong potential for success and as a major contributor to the future of FNFN and the economy of the region.

Major Project Profile - Geothermal		
<b>Sector</b>	Renewable Energy	
<b>Supporting Assets</b>	<ul style="list-style-type: none"> <li>Significant identified sustainable geothermal potential</li> <li>Local demand</li> <li>Significant political and financial support from Federal and Provincial government sources</li> <li>"Green" nature of the project</li> <li>Support for sale of power generated</li> </ul>	
<b>Project</b>	Tu-Deh-Kah Geothermal Project	
<b>Proponent</b>	Deh-Tai LLP(Fort Nelson First Nation – 100% ownership)	
<b>Capital Investment</b>	\$100 million	
<b>Product</b>	Geothermally generated electricity	
<b>Target Market</b>	Regional consumption	
<b>Production Volume</b>	7MW (initial target)	
<b>Direct Employment</b> (cumulative person-years for initial 5 years of project construction, commissioning & operation)	Low Estimate	High Estimate
	181	461
<b>Current Status</b>	<ul style="list-style-type: none"> <li>First test well in place and undergoing testing</li> <li>Power generation online as early as 2025 should the project proceed on schedule</li> <li>Strong financial and political backing in place</li> <li>Investigations underway to determine ancillary uses of "surplus" heat derived from any power generation operation</li> </ul>	
<b>Potential for related development</b>	<ul style="list-style-type: none"> <li>General economic development</li> <li>Potential for commercial green-housing (under consideration)</li> <li>Possible commercial quantities of valuable substances in water involved in the process, e.g. lithium (under investigation)</li> </ul>	

- 3
- 4 3.1 Please clarify how the Tu-Deh-Kah Geothermal Project is expected to impact the
- 5 demand for natural gas **from FEI** in the Fort Nelson Service Area.
- 6 3.2 If NRRM is expecting that the Tu-Deh-Kah Geothermal Project will purchase
- 7 natural gas from FEI to produce electricity, please explain the basis for this
- 8 expectation and please provide the annual estimate of natural gas consumption to
- 9 be supplied by FEI, including when this consumption would commence.
- 10 3.3 Please provide supporting evidence for the "cumulative person-years" estimates.

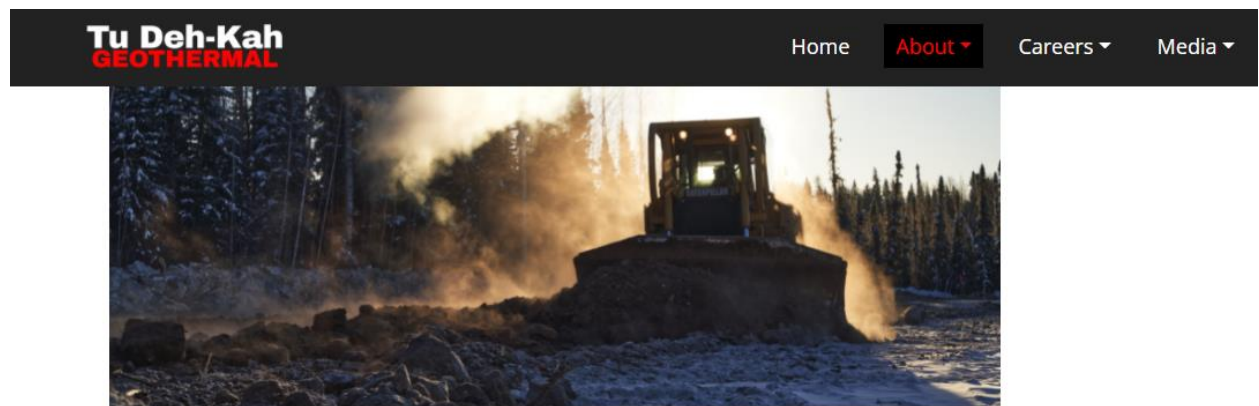
FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 5

3.4 Please clarify how the estimates for the “cumulative person-years” are expected to impact the demand for natural gas from FEI in the Fort Nelson Service Area.

3.4.1 As part of this response, please explain whether the estimates for Direct Employment are meant to indicate that there would be an increase of 181 to 461 new residential customers (i.e., new natural gas services) to FEI in the Fort Nelson Service Area and, if so, please provide evidence to support this assertion.

Below is a screen capture from the Tu-Deh-Kah website:

<https://tudehkah.com/about/project-background>



Beyond developing the electricity facility, we are evaluating direct heat opportunities to utilize the waste heat for other applications. Direct applications of waste heat can include agriculture development, heating buildings, or industrial processes like drying timber products. There is substantial interest from Fort Nelson First Nation in pursuing agriculture opportunities to increase the region's food security and export agricultural products for economic development.

3.5 The Tu-Deh-Kah Geothermal Project website discusses the potential of direct heat opportunities for agriculture development, heating buildings, or industrial processes like drying timber products. Please confirm that the use of waste heat from the Tu-Deh-Kah Geothermal Project could displace the use of natural gas from FEI in the Fort Nelson Service Area.

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 6

1     **4.0     Pages 9 to 10 of NRRM Evidence – Forest Sector - Biomass**

2     NRRM's Evidence states:

The revival of the Forestry sector has been a high priority for the NRRM since the 2008 closure of 2 major mills operated by Canfor. Work performed on the Forestry file has been successful in attracting investor attention and set the stage for a re-start of manufacturing on a large scale. Assets in play in the NRRM include the largest Community Forest in the province, a very healthy, high-quality forest resource with a history of supporting and a capacity to sustain major manufacturing. While wood harvesting has been curtailed elsewhere in the province, in 2019 the Annual Allowable Cut for the Fort Nelson Timber Supply Area increased by ~60% to over 2.5 million m<sup>3</sup>. (Appendix I)

A planned pellet plant (a partnership between Peak Renewables and Fort Nelson First Nation), once operational, would be the largest such operation in Canada and has already cleared a number of regulatory hurdles and reached several milestones in preparation for a Final Investment Decision (FID), particulars of some of which appear below. This operation would be a major economic engine in the region. Pending a FID, a preliminary logging program has been undertaken to generate initial cash flow to assist with the cost of renovating the mill facility.

3



FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 7

Proposed Major Project- Forestry-BioMass		
Sector	Forestry	
Supporting Assets	<ul style="list-style-type: none"> <li>NRRM/Fort Nelson First Nation (FNFN)partnership in the largest community forest in BC by volume (Allowable Annual Cut ~217,000 m³) (with a mandate to support local manufacturing)</li> <li>As of 2020 the Fort Nelson Forest District saw an increase of ~60% in Allowable Annual Cut (to ~2.5 million m³)</li> <li>Forest in the region is very healthy having largely escaped pest infestations and fire, with aspen evaluated as some of the best in Canada</li> <li>Former Canfor plant now held by Peak Renewables is suited to pellet production with renovation, and has onsite rail and highway access</li> <li>Local logging expertise remains from the time harvesting ceased</li> <li>Good levels of cooperation exist between/among Peak/FNFN/NRRM/FLNRORD</li> <li>Very strong markets for planned product line and other wood in the fibre basket</li> <li>A Province of BC socio-economic study (currently in un-published draft form) estimates that the forest resource in thee Fort Nelson TSA and the NRRM could sustain as many as 1132 FTE direct and secondary employment opportunities</li> </ul>	
Project	Peak Renewables Bio-Energy Pellet Plant	
Proponent	Peak Renewables-Deh Tai (Fort Nelson First Nation) Partnership	
Capital Investment	\$150 million	
Product	Industrial white wood pellets	
Target Market	Asia (Japan) large scale energy generation	
Production Volume	600,000 tonnes annually (would be the largest in Canada at launch)	
Direct Employment (cumulative person-years for initial 5 years of project construction, commissioning & operation)	Low Estimate	High Estimate
	1919	1919
Current Status	<ul style="list-style-type: none"> <li>acquired former Canfor Polarboard/Tackama property and facilities</li> <li>ministerial approval for previous Canfor fibre tenure</li> <li>established relationship with Fort Nelson Community Forest Corp for additional fibre supply</li> <li>seeking additional forest tenure volume through MFLNRORD</li> <li>has initiated harvesting program to generate startup cash flow</li> <li>negotiations for pellet offtake agreement(s) not disclosed</li> </ul>	
Potential for related development	<ul style="list-style-type: none"> <li>Inherent in the NRRM's Forestry Rejuvenation initiative and the Regional Economic Strategy is the concept of a cluster of smaller value-added wood-based manufacturing centered on a large commodity producer such as the proposed pellet plant. By engaging in large scale logging, the Peak's proposed fibre will be more accessible to smaller scale producers. Arrangements are already being made for such local production to take place based on the initial logging program currently underway.</li> <li>Outside industry investors and operators have indicated interest and initiated due diligence investigations for a number of value-added products</li> <li>The proposed operation holds the potential to create significant secondary and other employment through demand for support of the business</li> </ul>	

- 1
- 2 4.1 Please provide supporting evidence for the “cumulative person-years” estimates.
- 3 4.2 Please clarify how the estimates for the “cumulative person-years” are expected
- 4 to impact the demand for natural gas from FEI in the Fort Nelson Service Area.



FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 8

4.2.1 As part of this response, please explain whether the estimates for Direct Employment are meant to indicate that there would be an increase of 1,919 new residential customers (i.e., new natural gas services) to FEI's Fort Nelson Service Area and, if so, please provide evidence to support this assertion.

The following is an excerpt from the Alaska Highway News (August 18, 2021) – Fort Nelson Forest tenure sale approved article:

<https://www.alaskahighwaynews.ca/regional-news/fort-nelson/fort-nelson-forest-tenure-sale-approved-4234187>

“Peak plans to build a wood-pellet manufacturing plant on the old Canfor site in Fort Nelson, which still has buildings, a log pond and **a biomass energy plant.**” [Emphasis added]

4.3 Please confirm that Peak Renewables has not yet decided if it will use natural gas from FEI, biomass energy, or a combination of both, for its production process.

4.3.1 If NRRM believes that Peak Renewables has decided to use natural gas from FEI for its production process, please provide evidence to support this belief.

## **NRRM Evidence, Appendix D – FEI Demand Projection Methodology**

### **5.0 NRRM Evidence, Appendix D, Page 1**

In the Overview section, CSCW Systems Corporation (CSCW) states:

“My assessment is limited to the information provided in the appendix 3A only. I have not examined the full documentation provided by Fortis regarding this Application.”

5.1 For clarity, please confirm that all references by CSCW to “appendix 3A” are meant to refer to Appendix A3 of the Application.

5.2 Please confirm that CSCW did not review other parts of the Application (beyond Appendix A3), such as Appendix A2, which provides historical and forecast load and customer data.

5.3 Please confirm CSCW did not review any of FEI's responses to information requests in this proceeding.

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 9

1           5.4     Please confirm that CSCW did not review any other filing of FEI in past BCUC  
2                 proceedings or any relevant BCUC decisions considering FEI's demand forecast  
3                 methodology.

4     **6.0     NRRM Evidence, Appendix D, Page 1**

5           In the Context section, Dr. Corbett states:

6  
7           “The FEFN rate structure is specific to the service area (FEFN Centric) and distinct from  
8           the rate structure which exists with other Fortis natural gas customers elsewhere in British  
9           Columbia (BC Generic).”

10          6.1     Please clarify what CSCW means by the term “rate structure”.

11          6.2     Please confirm that the structure of the rates (i.e., basic charge, delivery charge,  
12                 storage and transport charge and cost of gas) and the rate schedules themselves  
13                 (1, 2, 3, 5, 6, 25) for the Fort Nelson Service Area (referred to by Dr. Corbett as  
14                 “FEFN Centric”) are already aligned with the structure and rate schedules  
15                 applicable to all other natural gas customers served by FEI (referred to by Dr.  
16                 Corbett as “BC Generic”).

17     **7.0     NRRM Evidence, Appendix D, Page 2**

18           In the General Comments section, CSCW states:

19           “Implicit in the Appendix 3A demand model (the demand model) is that there is no  
20           influence on the appropriateness of the model results/predictions due to the impact of  
21           COVID 19. In general it is my understanding that COVID 19 had a meaningful negative  
22           impact upon population, housing and local industry. This negative impact of COVID in  
23           2020 is revealed in “Appendix 3A - 4. Commercial Customer Additions” section which  
24           highlights the largest decline in Rate Schedule 2 Customers occurred with the loss of 8  
25           customers in 2020. The FEI then employs this clearly anomalous data point to estimate  
26           future declines in customers. The same model would have predicted a loss of .667 the  
27           prior year using the provided 2017 to 2019 data.”

28           Provided below is Table A2-1 from Appendix A2 of the Application, showing the Fort  
29           Nelson Service Area historical customer counts, customer additions, use per customer

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 10

1 (UPC) and energy (demand), which demonstrate that the Fort Nelson Service Area  
2 demand has been declining since 2014.

**Table A2-1: FEFN Historic Customer Counts, Customer Additions, Use per Customer and Energy**

<b>FORT NELSON</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Customers</b>										
Rate Schedule 1	1,955	1,947	1,959	1,962	1,963	1,945	1,927	1,919	1,898	1,880
Rate Schedule 2.1	447	443	446	446	474	478	476	473		
Rate Schedule 2									460	452
Rate Schedule 2.2	31	31	31	31	7	7	6	4		
Rate Schedule 3									14	17
Rate Schedule 25	2	2	2	2	2	2	1	1	1	-
Total Customer	2,435	2,423	2,438	2,441	2,446	2,432	2,410	2,397	2,373	2,349
<b>Customer Additions</b>										
Rate Schedule 1	18	8	12	3	1	(18)	(18)	(8)	(21)	(18)
Rate Schedule 2.1	26	4	3	-	28	4	(2)	(3)		
Rate Schedule 2									3	(8)
Rate Schedule 2.2	3	-	-	-	(24)	-	(1)	(2)		
Rate Schedule 3									(6)	2
Rate Schedule 25			-	-	-	-	(1)	-	-	(1)
Total Customer Additions	47	12	15	3	5	(14)	(22)	(13)	(24)	(25)
<b>UPC</b>										
Rate Schedule 1	137.8	138.8	138.6	136.5	135.5	134.2	129.9	127.6	128.1	128.9
Rate Schedule 2.1	475.6	465.0	460.2	455.5	482.0	465.8	447.8	434.8		
Rate Schedule 2									402.2	382.6
Rate Schedule 2.2	3,325.7	3,227.9	3,555.2	3,425.0	6,616.0	7,868.6	8,085.8	9,169.2		
Rate Schedule 3									4,910.0	4,643.2
<b>Demand Tjs</b>										
Rate Schedule 1	268	269	270	268	265	262	251	245	244	243
Rate Schedule 2.1	206	205	204	204	223	222	214	206		
Rate Schedule 2									185	174
Rate Schedule 2.2	97	100	110	106	65	55	48	42	-	-
Rate Schedule 3									70	71
Rate Schedule 25	51	56	61	68	50	41	42	43	37	30
Total Demand	622	630	645	645	603	580	556	537	537	518

3  
4 Below is a table prepared by FEI using the data shown in the table above which shows  
5 the year-to-year change as well as the percentage change in actual demand from 2014 to

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 11

1 2020 for total demand, residential demand and commercial demand in the Fort Nelson  
2 Service Area.

	2014	2015	2016	2017	2018	2019	2020
Total Demand (TJ)	644.9	602.8	580.2	555.8	536.5	537.2	517.9
Year-to-Year Change (TJ)		-42.0	-22.6	-24.4	-19.3	0.7	-19.3
% of Year-to-Year Change		-6.5%	-3.8%	-4.2%	-3.5%	0.1%	-3.6%
Annual Average (2015-2019 vs 2020)						-3.6%	-3.6%
Residential (RS 1)	267.6	265.4	262.3	251.4	245.4	244.4	243.2
Year-to-Year Change (TJ)		-2.2	-3.1	-10.9	-5.9	-1.0	-1.3
% of Year-to-Year Change		-0.8%	-1.2%	-4.2%	-2.4%	-0.4%	-0.5%
Annual Average (2015-2019 vs 2020)						-1.8%	-0.5%
Commercial (RS 2.1/2.2/2/3)	309.7	287.6	276.8	262.6	247.9	255.6	245.2
Year-to-Year Change (TJ)		-22.1	-10.8	-14.2	-14.7	7.7	-10.5
% of Year-to-Year Change		-7.1%	-3.8%	-5.1%	-5.6%	3.1%	-4.1%
Annual Average (2015-2019 vs 2020)						-3.7%	-4.1%

3  
4 7.1 Please confirm that, based on the % of Year-to-Year Change rows shown in the  
5 above table, the reduction in natural gas demand in 2020 in the Fort Nelson  
6 Service Area is not anomalous.

## 7 **8.0 NRRM Evidence, Appendix D, Page 4**

8 In the General Comments section, CSCW states:

9 “Using the specific BC government data makes is very clear that there have been no  
10 changes positive or negative in housing starts in NRRM in 2019, 2020 or 2021. The value  
11 for 2022 can only be no change or a positive increase. A negative value is not possible.  
12 The best estimate for 2022 is 0. Consequently the negative growth rate values in “Table  
13 A3-4: Growth Rates” used by FEI in its calculation of residential customer additions  
14 produces specious results as they relate to NRRM.”

15 8.1 Please confirm that residential customers may leave FEI's natural gas system for  
16 reasons such as disconnections or account closures due to vacant homes or  
17 conversion to alternative fuels.

18 8.2 Please confirm that the fact that residential customers may leave FEI's natural gas  
19 system would explain the negative customer additions that FEI has experienced in  
20 the Fort Nelson Service Area since 2016, as shown in Table A2-1 of Appendix A2  
21 of the Application.

FortisBC Energy Inc. (FEI or the Company) Application for Common Rates and 2022 Revenue Requirements for the Fort Nelson Service Area (Application)	Submission Date: March 16, 2022
FortisBC Energy Inc. (FEI) Information Request (IR) No. 1 to Northern Rockies Regional Municipality (NRRM) on Intervener Evidence	Page 12

- 1
  - 2
  - 3
  - 4
  - 5
- 8.3 Please confirm that, based on the British Columbia Building Permits, Housing Starts and Sales document referenced by CSCW in Footnote 2 of its evidence (i.e., Appendix D, page 4), there has been a decline in residential building permits in the NRRM since 2012.