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April 8, 2022

British Columbia Utilities Commission  
Suite 410, 900 Howe Street  
Vancouver, B.C.  
V6Z 2N3

Attention: Mr. Patrick Wruck, Commission Secretary

Dear Mr. Wruck:

**Re: FortisBC Energy Inc. (FEI)**

**Project No. 1599185**

**Application for a Certificate of Public Convenience and Necessity (CPCN) for Approval of the Coastal Transmission System Transmission Integrity Management Capabilities Project (Application or the Project)**

**FEI G-63-22 – Reply Submission on Useful Life of the CTS TIMC Project Assets**

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FEI files this reply submission in accordance with the regulatory timetable for further submissions established by British Columbia Utilities Commission (BCUC) Order G-63-22.

The Commercial Energy Consumers Association of B.C. (CEC), Residential Consumer Intervener Association (RCIA) and BC Old Age Pensioners' Organization, Active Support Against Poverty, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, Tenant Resource and Advisory Centre, and Together Against Poverty Society, (referred to as BCOAPO) filed further submissions on the topic of the useful life of the CTS TIMC Project assets. Generally, the submissions of interveners are supportive of FEI's evidence and submissions that the CTS TIMC Project assets will remain used and useful and that there is no need to change the useful life of the assets due to the plans for hydrogen blending on FEI's system.

The CEC is supportive of FEI's evidence and submissions on this topic, concluding:<sup>1</sup>

The CEC recommends that the Commission provide significant weight to FEI's evidence as to the minimal potential impact of hydrogen blending on the need for the CTS TIMC Project, and its specific declaration that to the greatest

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<sup>1</sup> CEC further submission, pp. 2-3.

extent known, the assets being evaluated will continue to be used and useful, with no need at this time for a change in depreciation rates.

RCIA also indicates its agreement with FEI's evidence, concluding, "Therefore, most of the project assets will be used and useful as the hydrogen concentration increases. RCIA adds the qualifier of "most" when referring to the project assets that will remain useful as RCIA maintains that not all project assets are required, as stated in RCIA's Final Argument."<sup>2</sup> FEI maintains that all of the Project's assets are required and has responded to RCIA's submissions on this topic in its Reply Argument filed in this proceeding.

BCOAPO states that it "accepts the Utility's evidence regarding the quantum of risk its current assets pose and the urgency of taking action" and that "its position on this matter remains unchanged."<sup>3</sup> As BCOAPO took the position in its final submission that "the Application should be approved,"<sup>4</sup> FEI understands BCOAPO to remain supportive of the Project. BCOAPO makes no particular submissions on the useful life of the CTS TIMC Project assets.

In reply to the general comments made by BCOAPO about the cost risk of proceeding with the Project, FEI has been clear that the Project assets will remain used and useful and are needed to address safety risks regardless of the future percentage of hydrogen in the CTS pipelines. FEI generally understands BCOAPO to be interested in keeping rates as low as reasonably possible, which is a goal that FEI shares. FEI submits that the prudent actions it has proposed in the CTS TIMC Application in response to identified safety risks are in the public interest and that the rate impacts of the Project are therefore justified.

If further information is required, please contact the undersigned.

Sincerely,

**FORTISBC ENERGY INC.**

***Original signed:***

Diane Roy

Attachments

cc (email only): Registered Parties

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<sup>2</sup> RCIA further submission, p. 3.

<sup>3</sup> BCOAPO further submission, p. 2.

<sup>4</sup> BCOAPO Final Argument, p. 6.