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July 19, 2022

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

Attention: Ms. Sara Hardgrave, Acting Commission Secretary

Dear Ms. Hardgrave:

**Re: FortisBC Energy Inc. (FEI)
Revised Renewable Gas Program Application – Stage 2 (Application)
Round Two Information Requests – Questions Out of Scope**

FEI writes in regard to certain round two information requests (IRs), received in accordance with the regulatory timetable established by British Columbia Utilities Commission (BCUC) Order G-165-22A in the above noted proceeding, that FEI submits are out of scope of this proceeding. In Order G-165-22A (Scoping Order) the BCUC set out the scope for this proceeding, as follows:

1. The ways in which renewable natural gas (RNG or biomethane) will be sold under FEI's services and offerings.
2. The rates and rate design for each of the RNG service based on rate-making principles. This includes the examination of rate design objectives and the appropriate allocation of costs to be recovered from certain class or classes of customers.
3. The price elasticity of demand for conventional natural gas and RNG.
4. The impacts of the FEI's RNG services and offerings on energy choice. Understanding the customer demand and cost implications on the competitiveness of natural gas equipment versus other types of equipment such as electric heat pumps.
5. The short term (5 years) forecast demand for RNG and the feasibility of FEI's plan meet this demand.
6. The short term (5 years) forecast supply of RNG and FEI's plan for the RNG supply acquisition, security of the RNG supply, price of the RNG supply, and supply substitutes such as carbon offsets.

In the Scoping Order, the BCUC also made additional findings regarding the scope of the proceeding:

The Panel, in general, agrees with FEI and find that the current proceeding pertains to a rate design application. Accordingly, evidence related to the design of the program, the rates for the program's services and offerings, and the allocation of costs to customers are within the scope for the review of the Application.

...

The Panel is not persuaded that the specification of RNG and the nature of notional delivery is within the scope of this proceeding. The RNG Inquiry proceeding currently underway is exploring such topics. Interveners are encouraged to participate in the RNG Inquiry proceeding should they wish to pursue these issues.

Further, the Panel is not persuaded that matters relating to the status of FEI's natural gas distribution pipelines should be within the scope of this rate Application. As mentioned above, this Application focuses on rate design and, as such, need not include the merits and demerits of FEI's existing gas distribution system. These matters are better addressed in the 2022 LTGRP.

At the time of writing this letter, the following parties have filed round two IRs:

- BCUC, Exhibit A-21;
- BC Sustainable Energy Association and Sierra Club (BCSEA), Exhibit C1-8;
- Movement of United Professionals (MoveUP), Exhibit C2-6;
- Commercial Energy Consumers of British Columbia (CEC), Exhibit C3-6;
- BC Old Age Pensioners' Organization, Active Support Against Poverty, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, Tenants Resource and Advisory Centre, and Together Against Poverty Society (BCOAPO), Exhibit C4-6;
- The Residential Consumer Intervener Association (RCIA), Exhibit C10-5;
- The British Columbia Hydro and Power Authority (BC Hydro), Exhibit C17-3; and
- GNAR Inc Sustainable Home Design (GNAR), Exhibit C19-3.

FEI has reviewed the IRs received and submits that, based on the above scoping order, a number of questions are out of scope. These IRs, and the reasons why FEI submits that they are out of scope, are set out in the table below.

Intervener	IRs	Reason for Out of Scope
BCSEA	19.1, 22.1	<p>IR 19.1 is asking for spreadsheets from FEI's Conservation Potential Review filed in the Long-Term Gas Resource Plan, supporting FEI's demand-side management (DSM) activities. FEI does not believe DSM is within the scope for this proceeding, but if there is specific information that is required from these spreadsheets that is relevant to scope item number 4, FEI would be amendable to providing that information, subject to having received that clarification.</p> <p>IR 22.1 presumes that RNG is received notionally which is specifically identified as being not in scope in this proceeding.</p>
CEC	63.1	IR 63.1 probes Cost of Service Allocation (COSA) and Revenue to Cost ratios of the utility in general and not the rate design of FEI's Renewable Gas Program. This question will be relevant to FEI's next COSA filing and is out of scope for this proceeding.
MoveUP	1.4	IR 1.4 probes load scenarios from FEI's Long Term Gas Resource Plan (LTGRP), which is outside the scope of this proceeding.
BCOAPO	18.1, 18.2, 18.3, 18.5, 18.6	<p>These IRs relate to DSM spending and rate impacts and are scoped out of this proceeding.</p> <p>18.4 is the only IR in this series that is in scope as it relates DSM to the rate design in this proceeding.</p>
RCIA	41.1, 41.2	IRs 41.1 and 41.2 indirectly probe whether RNG is notional or not, which is specifically identified as being not in scope in this proceeding.
BC Hydro	2.6	The requested time period is beyond that set out in BCUC order G-165-22A.
GNAR	All IRs No. 2	None of the IRs submitted by GNAR fit within the scoped items as set out in the BCUC order G-165-22A. They address the specification of RNG and the notional delivery of RNG and FEI's natural gas distribution business, which are specifically scoped out of this proceeding.

FEI also notes that there are a number of questions on RNG supply and demand. FEI proposes to respond to those questions, but to limit its responses to the five year time frame set out by the BCUC in its Scoping Order.

If the BCUC agrees that some or all of the above noted IRs are out of scope, FEI will not be providing responses to those IRs.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

cc (email only): Registered Interveners