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August 31, 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)

**Application for Approval of the Regional Gas Supply Diversity (RGSD)
Development Account (Application)**

FEI Reply to Letters of Comment

On June 1, 2022, FEI filed the Application with the British Columbia Utilities Commission (BCUC). By Order G-192-22, the BCUC established a regulatory timetable for the review of the Application, setting August 25, 2022 as the deadline for Letters of Comment and September 15, 2022 for FEI to reply to the Letters of Comment.

Three Letters of Comment filed were filed on the record of this proceeding, as follows:

1. BC Sustainable Energy Association (BCSEA);¹
2. Commercial Energy Consumers Association (CEC);² and
3. Residential Consumer Intervener Association (RCIA).³

BCSEA, CEC and RCIA all support BCUC approval of the Regional Gas Supply Diversity Project Development Costs deferral account (RGSD Development Account) as requested by FEI, pursuant to sections 59-61 of the *Utilities Commission Act* (UCA).

The three interveners properly recognize that the scope of the Application is limited. For instance, BCSEA notes the narrow scope of the proceeding and that it takes no position at this time regarding the Regional Gas Supply Diversity Project (RGSD Project). CEC agrees that the “just and reasonable” test is the appropriate legal standard flowing from section 60(1)(b) of the UCA and finds it appropriate to assess the reasonableness of actual development costs recorded in the account be as part of the 2024 Annual Review. Both CEC and RCIA note that

¹ Exhibit E-1, dated July 19, 2022.

² Exhibit E-2, dated August 25, 2022.

³ Exhibit E-3, dated August 25, 2022.

they intend to participate in any future BCUC processes related to the RGSD Project and recovery of costs in the RGSD Development Account.

BCUC approval of the proposed RGSD Development Account is important to both FEI and customers. It will enable FEI to commence development work on the RGSD Project by capturing development costs – primarily related to engagement with Indigenous Nations and exploration of options for direct Indigenous involvement in the Project – “with disposition of the account balance to be proposed and addressed in a future proceeding.”⁴ Given the benefits of having an appropriate accounting mechanism in place now, and given that all of the Letters of Comment filed on the record support the approvals sought, FEI respectfully requests that the BCUC approve the Application as soon as feasible.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

cc (email only): BCSEA, CEC, RCIA

⁴ Exhibit B-1, Application, Appendix C2.