



Sarah Walsh
Director, Regulatory Affairs

Gas Regulatory Affairs Correspondence
Email: gas.regulatory.affairs@fortisbc.com

Electric Regulatory Affairs Correspondence
Email: electricity.regulatory.affairs@fortisbc.com

FortisBC
16705 Fraser Highway
Surrey, B.C. V4N 0E8
Tel: (778) 578-3861
Cell: (604) 230-7874
Fax: (604) 576-7074
www.fortisbc.com

June 8, 2023

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

Attention: Patrick Wruck, Commission Secretary

Dear Patrick Wruck:

Re: FortisBC Energy Inc. (FEI)
2022 Long Term Gas Resource Plan (LTGRP) – Project No. 1599324
FEI Reply Submission on Need and Scope for Oral Hearing or Information Request No. 3 (IR3)

FEI files this reply submission pursuant to the regulatory timetable as amended in British Columbia Utilities Commission (BCUC) Order G-99-23.¹ In its Reasons for Decision to Order G-99-23, the Panel indicated its intention to complete the proceeding as a written process for efficiency, absent a compelling reason to hold an oral hearing. In FEI's view, further regulatory process, whether through an oral hearing or third round of IRs, is unlikely to materially contribute additional evidence to the record. Accordingly, FEI affirms its position that neither a third round of IRs nor an oral hearing are necessary.

Six interveners have filed submissions on the need and scope for an oral hearing or third round of IRs. MoveUP, BCSEA and RCIA agree with FEI that neither a third round of IRs nor an oral hearing are necessary, while BCOAPO, CEC and BCSSIA argue for a third round of IRs. FEI responds to the comments of interveners below.

An Oral Hearing is Not Warranted

No intervener has submitted that an oral hearing is necessary. CEC still considers that a written process would be appropriate, but has provided suggested topics for an oral hearing should the BCUC determine one is necessary. These topics identified by the CEC have been exhaustively addressed by the current written record, and the CEC has not submitted that the topics cannot be pursued in another round of IRs or addressed in final arguments. BCSSIA indicates it will not take a final position on the need for an oral hearing until it receives responses to a third round of IRs. However, this is the second and last opportunity in the

¹ Exhibit A-13.

regulatory timetable to provide submissions on the need and scope for an oral hearing and, in FEI's submission, the record is sufficiently advanced to inform final positions on further process, including whether an oral hearing is needed.

A Third Round of IRs Is Not Warranted

BCOAPO, CEC and BCSSIA submit that the BCUC should order a third round of IRs. However, BCOAPO and CEC do not identify particular topics that they suggest warrant a third round of IRs (CEC instead identifies topics for a potential oral hearing).

In FEI's view, most, if not all, of the topics identified by BCSSIA and CEC for a third round of IRs or an oral hearing, respectively, appear to be in the nature of argument, rather than requests for information, or are attributable to topics that have already been thoroughly canvassed.

BCSSIA suggests that a second round of IRs on the Kelowna Electrification Case Study (Kelowna Study) is needed; however, FEI considers that among the total of FEI's responses to IRs from the BCUC and all interveners, as well as the detail provided in the Kelowna Study itself, the Kelowna Study has been fully addressed by the current record. Further, a review of BCSSIA's IRs and FEI's subsequent responses concerning the Kelowna Study indicates that BCSSIA's requests, although answered to the best of FEI's ability, were by and large not subjects that the Kelowna Study was designed to answer. Therefore, a further round of IRs on the Kelowna Study is unlikely to yield better resolution on these topics.

In addition, both BCSSIA and CEC have identified nascent areas of technology and market development as topics for further exploration, including hydrogen production and blending, hybrid energy systems, and LNG exports. FEI submits that these topics would be more effectively explored in the next LTGRP, when FEI has more information to provide and discuss with stakeholders.

Still other topics are more appropriately explored in further detail within the scope of other proceedings, as there are no corresponding approvals being sought by FEI in this proceeding. For instance, the BCUC regulates FEI's gas purchasing through FEI's Annual Contracting Plan and gas supply contracts, demand-side management through FEI's Demand Side Management Expenditures Plan, and capital projects, such as those required to accommodate hydrogen blending, through applications for Certificates of Public Convenience and Necessity.

Finally, in reply to the submissions of BCSSIA that they are dissatisfied with FEI's responses to IR2, we note that BCSSIA may contact FEI directly for clarification or file a request that the matter be settled by the BCUC on those matters.²

Redesign of Resource Planning Guidelines Not For This Proceeding

MoveUP agrees with FEI that neither an oral hearing nor a third round of IRs is necessary in this proceeding, but also offers general submissions on redesigning resource planning proceedings. As FEI understands their submissions, MoveUP is not suggesting that this redesign should take place in the context of this proceeding, and FEI submits that any revision of the BCUC Resource Planning Guidelines (Guidelines) are properly the subject of a standalone proceeding and should not delay this proceeding. As discussed in the response to

² Rule 14.05, BCUC's Rules of Practice and Procedures.

BCUC IR2 121.4, FEI would be supportive of, and would participate in, a review of the Guidelines. However, FEI does not consider that there is an urgent need to update the Guidelines. The Guidelines are not overly prescriptive and, within the Guidelines, FEI is able to continually improve its resource planning process. FEI considers that one of the key responses to the pace of policy change is to conduct resource planning more frequently, which is compatible with the current Guidelines.

Conclusion

In conclusion, FEI's position is that there would be diminishing returns for additional procedural steps, and that the record is sufficiently robust for the purposes of reviewing the Application. All parties have been afforded a fair opportunity to participate in the BCUC's decision making process, and further process is not likely to meaningfully contribute to the record.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Sarah Walsh

cc (email only): Registered Parties