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September 7, 2023

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

Attention: Patrick Wruck, Commission Secretary

Dear Patrick Wruck:

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

**Application for Acceptance of Demand Side Management (DSM) Expenditures  
Plan for the period covering 2024 to 2027 (Application)**

**Errata to the Application Dated September 7, 2023**

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On July 12, 2023, FEI filed the Application referenced above. During the course of responding to Information Requests (IR) No. 1, FEI has identified corrections required to the Application and Appendix B (Exhibit B-2) which are noted in the responses to the following IRs.

- BCUC IR1 13.2, 14.1, 14.2, 16.1, 16.2; and
- RCIA IR1 5.3 and 13.2.

Accordingly, FEI submits this Errata filing reflecting the corrections required. For ease of identification of the revisions made, FEI has provided all revised pages from Exhibit B-2 blacklined for ease of reference. The following lists the revised pages:

Description	Revised Pages
<b>Application, Section 8.1.2</b>	Page 40
<b>Application, Appendix B</b>	Page 1

If further information is required, please contact the undersigned.

Sincerely,

**FORTISBC ENERGY INC.**

***Original signed:***

Sarah Walsh

Attachments

cc (email only): Registered Interveners

1 BCUC accept the total expenditures per program area over the time period of the expenditures  
2 schedule.

3 FEI considers that carrying over negative amounts is consistent with the spirit and intent of the  
4 funding carryover rules approved as part of FEI's 2019-2022 DSM Plan. The ability to carryover  
5 funding amounts from one year to the next within the DSM funding period was applied for and  
6 approved to provide FEI with additional flexibility to manage the portfolio expenditures as it strives  
7 to meet the overall expenditures targets set out in the DSM Plan.

8 Although the carryover rules focused on carrying over unspent amounts in the early years of the  
9 Plan to future years, the primary purpose of the carryover funding transfer request was to assist  
10 FEI to achieve the four-year total expenditures for the plan. Carrying forward negative amounts  
11 to future years of the DSM Plan will similarly help FEI to manage timing of expenditures and  
12 decrease the likelihood of underspending during the plan period. While spending may be higher  
13 than planned in one year, it may be lower than planned in the following year. Therefore, FEI  
14 considers that the funding carryover rules should include the flexibility to manage both positive  
15 and negative carry over amounts.

16 In summary, FEI is requesting the following funding carryover rule be in place for its 2024-27 DSM  
17 Plan:

18 *FEI is permitted to carryover unspent and overspent expenditures in a Program*  
19 *Area to the same Program Area in the following year.*

20 In Decision and Order G-371-22 regarding FBC's 2023-2027 DSM Plan Application, the BCUC  
21 approved this same carryover rule for FBC.

### 22 **8.1.3 Total Portfolio Variance Allowance**

23 FEI is seeking approval to continue the allowed variance of no more than five percent above the  
24 accepted DSM expenditures amount in the final year of a DSM expenditures schedule without  
25 prior approval from the BCUC. This was previously approved as part of its 2023 DSM Plan in  
26 Order G-45-23. In the case of the DSM Plan, this would mean FEI has flexibility to vary from the  
27 2027 approved expenditures by up to ~~\$8.2~~ million.

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28 FEI will continue to seek to spend the accepted expenditures amount, however, it is difficult to  
29 accurately forecast to the level of precision where FEI will spend exactly 100 percent of its DSM  
30 portfolio. Actual DSM Plan expenditures are determined by many factors outside FEI's control,  
31 including changes in market conditions and customer responses to programs. In FEI's view, a  
32 variance allowance of five percent provides the necessary flexibility to respond to any conditions  
33 outside of FEI's control that might require additional spending above approved.

34 Therefore, FEI is requesting to continue the following variance allowance rule for the DSM Plan:

Portfolio and Program Area Cost Effectiveness Results

Exhibit 1 – Additional DSM Portfolio Cost Effectiveness

	Total
TRC	1.4
PCT	<u>1.2</u>
RIM	<u>0.3</u>

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Exhibit 2 – Portfolio Cost Effectiveness by Program Area

Program Area	TRC	MTRC	PCT	RIM
Residential	1.0	-	0.8	<u>0.2</u>
Commercial	3.6	-	1.6	<u>0.5</u>
Industrial	5.7	-	1.4	<u>0.8</u>
Legacy Expenditures	0.5	1.5	1.1	<u>0.3</u>

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