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October 13, 2023

British Columbia Public Interest Advocacy Centre  
Suite 803 470 Granville Street  
Vancouver, B.C.  
V6C 1V5

Attention: Leigha Worth, Executive Director

Dear Leigha Worth:

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

**2022 Long Term Gas Resource Plan (LTGRP) ~ Project No. 1599324**

**Response to the British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Council of Senior Citizens' Organizations of BC, Tenant Resource and Advisory Centre, and Together Against Poverty Society *et al.* (BCOAPO) Information Request (IR) No. 3 on Rebuttal Evidence**

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On May 9, 2022, FEI filed the LTGRP referenced above. In accordance with the amended regulatory timetable established in British Columbia Utilities Commission Order G-150-23 for the review of the LTGRP, FEI respectfully submits the attached response to BCOAPO IR No. 3 on Rebuttal Evidence.

For convenience and efficiency, if FEI has provided an internet address for referenced reports instead of attaching the documents to its IR responses, FEI intends for the referenced documents to form part of its IR responses and the evidentiary record in this proceeding.

If further information is required, please contact the undersigned.

Sincerely,

**FORTISBC ENERGY INC.**

***Original signed:***

Sarah Walsh

Attachments

cc (email only): Commission Secretary  
Registered Interveners



FortisBC Energy Inc. (FEI or the Company) 2022 Long Term Gas Resource Plan (LTGRP) (Application)	Submission Date: October 13, 2023
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1    **20.0 Reference: Exhibit C16-7, BCSEA IR 1.2 and Exhibit B-38, Page 1**

2    **Topic: Viability of FEI's Business Model**

3    Preamble:

4           "...We at MS2S consider FEI's current business model – especially in the  
5           residential and commercial spaces where it generates ~90% of its business – to  
6           be a recipe for a steady demise, rising customer costs and regulatory  
7           hurdles...The LTGRP lacks clarity in a number of areas, not least of which is that  
8           it fails to acknowledge that FEI's primary product (methane) is a fossil fuel which  
9           we simply must cease to burn...In an era requiring an energy revolution to forestall  
10          the worst effects of climate change, the 2022 LTGRP is largely a business-as-  
11          usual plan. FEI should publish a new LTGRP plan on the basis that retaining FEI's  
12          current business model – especially in the residential and commercial spaces – is  
13          not viable and does not meet CleanBC's Roadmap to 2020 targets...Plan to  
14          increase the electricity FEI generates – likely via wind, solar and geothermal."  
15          **(Exhibit C16-7, MS2S Response to BCSEA IR 1.2)**

16           "In this Rebuttal Evidence, FEI responds to the evidence of My Sea to Sky (MS2S)  
17           in Exhibit C16-6 and MS2S's responses to information requests...Although FEI  
18           has addressed a number of matters in the Rebuttal Evidence, FEI's silence on any  
19           particular matter should not be construed as agreement." **(Exhibit B-38, FEI**  
20          **Rebuttal Evidence, A1, Page 1)**

21          **Request:**

22           20.1 Please provide FEI's response to the MS2S assertion in the preamble of the  
23           question above that the 2022 LTGRP is largely a business-as-usual plan.

24          **Response:**

25           FEI disagrees with the unsupported assertions that the 2022 LTGRP Application represents a  
26           largely business-as-usual plan, that FEI's residential and commercial business is not viable, and  
27           that the 2022 LTGRP Application does not "meet" CleanBC's Roadmap to 2030 targets.

28           The 2022 LTGRP Application is profoundly shaped by the developments in climate change policy  
29           in recent years and, in particular, the Province's 2018 CleanBC plan and CleanBC Roadmap to  
30           2030, which set out ambitious targets for reducing GHG emissions. In response to these policies  
31           and the need to reduce GHG emissions, the 2022 LTGRP Application provides FEI's plan to  
32           transition to a low-carbon energy future and transition toward distributing renewable and low-  
33           carbon gas.  
34



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1 FEI's Clean Growth Pathway lays the groundwork to aligning FEI's business with government  
2 policy. As described in the Application,<sup>1</sup> it is a diversified pathway that sustains the growth and  
3 viability of gas and electricity infrastructure, and calls for significant shifts in BC's energy systems  
4 to foster market transformation.<sup>2</sup> Contrary to MS2S's assertions, it is a more affordable, resilient  
5 and practical pathway for BC than other decarbonization alternatives.<sup>3</sup> The Clean Growth  
6 Pathway figures prominently in the 2022 LTGRP Application and its planning scenario, the  
7 Diversified Energy (Planning) Scenario.

8 In the Diversified Energy (Planning) Scenario, FEI models future changes needed to pursue its  
9 Clean Growth Pathway and meet decarbonization targets. The Diversified Energy (Planning)  
10 Scenario includes essential elements of the Clean Growth Pathway, such as accelerated  
11 acquisition of renewable gas supply, growth in the use of low-carbon gas as a transportation fuel,  
12 and electrification initiatives in BC that impact gas demand.

13 The policy framework outlined in the CleanBC Roadmap is the most ambitious and stringent  
14 climate policy impacting gas utilities anywhere in Canada or the PNW.<sup>4</sup> Even though the CleanBC  
15 Roadmap was announced late in the process of developing the 2022 LTGRP Application and  
16 details on key policies in the Roadmap have still not been provided,<sup>5</sup> FEI modelled key policies of  
17 the Roadmap at a high level, where reasonable to do so, like the proposed GHGRS, by updating  
18 the Diversified Energy (Planning) Scenario with greater ambition.<sup>6</sup> For instance, in response to  
19 the Roadmap, FEI doubled its 2030 renewable and low-carbon gas supply target to 60.2 PJ for  
20 the Diversified Energy (Planning) Scenario.<sup>7</sup>

21 The Diversified Energy (Planning) Scenario is projected to meet the emissions reductions  
22 required by the GHGRS cap on natural gas utility emissions in the CleanBC Roadmap for the  
23 Buildings and Industrial Sectors,<sup>8</sup> although the compliance pathways for the GHGRS have not yet  
24 been released by the Province. Emission reductions for these customer groups come from  
25 changes in demand (before DSM), reductions in demand as a result of DSM, the transition to  
26 renewable and low-carbon gas supply, and additional actions.<sup>9</sup>

27  
28

29

30 20.2 Please provide FEI's response to the MS2S assertions in the preamble of the  
31 question above that: (i) retaining FEI's current business model as it relates to

<sup>1</sup> Exhibit B-1, Application, Section 3.  
<sup>2</sup> Exhibit B-1, Application, Appendix A-1.  
<sup>3</sup> Exhibit B-20, Evidentiary Update, Kelowna Electrification Case Study.  
<sup>4</sup> Exhibit B-12, CEC IR1 10.3.  
<sup>5</sup> Exhibit B-23, BCUC IR2 90.3.  
<sup>6</sup> Exhibit B-23, BCUC IR2 90.2.  
<sup>7</sup> Exhibit B-15, MoveUP IR1 2.3.  
<sup>8</sup> Exhibit B-1, Application, Section 9-2.  
<sup>9</sup> Exhibit B-6, BCUC IR1 71.7, 72.2, 72.2.1, 74.2.



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1 residential and commercial customers is not viable, a recipe for a steady demise,  
2 rising customer costs and regulatory hurdles; and (ii) the 2022 LTGRP does not  
3 meet CleanBC's Roadmap to 2030 targets.  
4

5 **Response:**

6 Please refer to the response to BCOAPO IR3 20.1.  
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