



bcuc
British Columbia
Utilities Commission

Sara Hardgrave
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July 25, 2022

Sent via email/eFile

FEI TRANSPORTATION SERVICE REPORT
EXHIBIT A-2

Ms. Diane Roy
Vice President, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8
Gas.Regulatory.Affairs@fortisbc.com

Re: FortisBC Energy Inc. (FEI) – Transportation Service Report – Project No. 1599346 – Regulatory Timetable

Dear Ms. Roy:

Further to your June 15, 2022 compliance filing in accordance with British Columbia Utilities Commission Order G-135-18 and Order G-210-20 regarding the Transportation Service Report, enclosed please find British Columbia Utilities Commission Order G-209-22 establishing a regulatory timetable.

Sincerely,

Original signed by:

Sara Hardgrave
Acting Commission Secretary

/db
Enclosure



ORDER NUMBER
G-209-22

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Energy Inc.
Transportation Service Report

BEFORE:

A. K. Fung, QC, Panel Chair
M. Kresivo, QC, Commissioner
T. A. Loski, Commissioner

on July 25, 2022

ORDER

WHEREAS:

- A. On June 15, 2022, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC) its Transportation Service Report (Report) pursuant to BCUC Decisions and Orders G-135-18 and G-210-20;
- B. In the Report, among other things, FEI reviews 29 specific requests made by shipper agents during stakeholder engagement sessions for changes to FEI's Transportation Service model; however, FEI concludes that the Transportation Service balancing rules are generally working as intended and proposes to make only two of those requested changes;
- C. By Order G-135-18 dated July 20, 2018, the BCUC, among other things, approved adjustments to FEI's Transportation Service model which included daily balancing for all transportation customers, reduced daily balancing tolerance thresholds and the introduction of a balancing charge of \$0.25 per gigajoule for transportation customers for gas supply shortfalls within a 10 to 20 percent tolerance level;
- D. Order G-135-18 noted that the effectiveness of the approved balancing changes, any adverse impacts and any need for further changes should be reviewed by the BCUC once there had been sufficient experience with the new balancing rules. The BCUC directed FEI to file a written report with the BCUC on Transportation Service balancing, which was to include discussion of the following:
 - Impact of new balancing rules on the use of core resources including both changes to variable costs of balancing the system to accommodate transportation service and changes to fixed costs arising from a need to contract midstream resources differently;
 - Effectiveness of imbalance return as a tool for Shippers/Shipper Agents to manage excess inventory including discussion of any modifications made to the allocation methodology in response to changes in demand for imbalance return after the balancing rule changes are implemented;
 - Whether there should be further tightening of tolerances for under-supply;

- Whether it is necessary to implement tolerances and associated charges for over-supply; and
 - Whether the balancing charges appropriately recover the costs of providing balancing to transportation service customers and provide sufficient incentive to transportation service customers to balance their supply and demand.
- E. By Order G-210-20 dated August 10, 2020, in response to a 2019 complaint filed by Cascadia Energy Ltd., Direct Energy Marketing Limited and Access Gas Services Inc. regarding FEI's administration of Rate Schedules 22, 23, 25 and 27 related to transportation customer service (Complaint), the BCUC directed FEI to engage in stakeholder review with all shipper agents and to include results of that review in the Report to be filed. FEI was directed to include the following topics in the stakeholder review and Report:
- a) Nature, timing and adequacy of information provided to shipper agents to manage gas supply resources;
 - b) Administration of inter-customer group balancing and transparency of inter-customer group balancing rules; and
 - c) FEI's criteria for curtailment of inventory returns to shipper agents.
- F. The BCUC has determined that a public hearing to review FEI's Report and the establishment of a regulatory timetable are warranted.

NOW THEREFORE the BCUC orders as follows:

1. A regulatory timetable for a public hearing to review the Report is established as set out in Appendix A to this order (Regulatory Timetable).
2. As soon as reasonably possible but no later than the date established in the Regulatory Timetable, FEI is to publish a copy of the Report and this order on its website and to provide a copy of the Report and this order, electronically where possible, to:
 - a) All invitees and attendees of the stakeholder engagement sessions referenced in Recital B of this order;
 - b) All Shipper Agents and transportation service customers who have not appointed a Shipper Agent;
 - c) Registered interveners and interested parties in the:
 - (1) FEI 2016 Rate Design Application Proceeding; and
 - (2) FEI 2022 Annual Review of Delivery Rates Proceeding.
3. Parties who wish to participate in the regulatory proceeding are to register with the BCUC by completing a [Request to Intervene form](#) by the date established in the Regulatory Timetable and in accordance with the BCUC's Rules of Practice and Procedure attached to Order G-178-22, dated June 30, 2022.
4. Parties wishing to provide comments on the Report should provide their submissions to the BCUC in writing, with a copy to FEI, by the date established in the Regulatory Timetable. Letters of comment must be submitted in the Letter of Comment Form available on the BCUC's website at <https://www.bcuc.com/Forms/LetterOfComment>.

DATED at the City of Vancouver, in the Province of British Columbia, this 25th day of July 2022

BY ORDER

Original signed by:

A. K. Fung, QC
Commissioner

Attachment

FortisBC Energy Inc.
Transportation Service Report

REGULATORY TIMETABLE

| Action | Date (2022) |
|-----------------------------------------------|------------------------|
| FEI to Publish Public Notice of the Filing | Thursday, August 4 |
| Intervener Registration | Thursday, August 18 |
| BCUC Information Request (IR) No. 1 to FEI | Thursday, September 1 |
| Intervener IR No. 1 to FEI | Thursday, September 8 |
| FEI Responses to BCUC and Intervener IR No. 1 | Tuesday, September 20 |
| Deadline to submit Letters of Comment | Thursday, September 22 |
| FEI Response to Letters of Comment | Thursday, September 29 |
| Further Process | To Be Determined |