

# FortisBC Request for Expression of Interest (“RFEOI”)

## Generation Resources

October 23, 2024

### Background

FortisBC Inc. (“FBC”)<sup>1</sup> is an integrated, regulated electric utility operating in the southern interior of British Columbia (“BC”)<sup>2</sup>, serving approximately 183,700 customers directly and indirectly, and focused on the safe delivery of reliable and cost-effective electricity.

### FBC’s system

FBC’s generation assets consist of four hydroelectric generating plants on the Kootenay River with an aggregate capacity of 225 MW and an annual gross energy entitlement of approximately 1,609 GWh. FBC meets the remainder of its customers’ energy and capacity requirements through a portfolio of long-term and short-term power purchase contracts. FBC’s transmission and distribution assets consist of approximately 7,300 kilometers of transmission and distribution power lines and 65 substations. FBC’s service territory has a historical peak demand of 835 MW, which occurred during the fourth quarter of 2022. FBC is regulated by the British Columbia Utilities Commission (“BCUC”).

### FBC’s priorities

FBC’s vision is to help lead the lower-carbon energy transition in BC. FBC is committed to providing cost-effective, safe, and reliable power for customers, and to help advance BC’s climate action goals.

FBC strives to be a leader in establishing and maintaining strong, positive relationships with Indigenous communities in BC. FBC is committed to engaging with and learning from Indigenous thought leaders, partners and communities.

### FBC customers’ growing energy needs

In order to meet the growing needs of its customers, FBC continuously evaluates the capacity of its system on both a long-term and short-term basis. FBC’s most recent Long Term Electric Resource Plan (“LTERP”) was accepted by the BCUC in December of 2022. FBC has been utilizing the reference case load curve that is set out in the LTERP for its resource planning purposes. However, subsequent to the filing of the LTERP and relative to the reference case load forecast presented therein, there has been continued increase in demand on the electric system, which indicates a need for new resources. With a view to addressing this growing demand, FBC is utilizing the upper uncertainty band<sup>3</sup> load curve rather than the reference case load curve presented in the LTERP to identify potential increases in its energy and capacity requirements.

Based on the upper uncertainty band load curve presented in the LTERP, FBC may require approximately 100 MW of incremental winter capacity as soon as 2030, growing to as much as 340 MW by 2040. Additional annual energy requirements could be as much as 1,100 GWh by 2030, growing to 2,300 GWh by 2040. FBC is considering supply options up to these maximum amounts but is not necessarily committed to procuring the entirety of those amounts.

FBC is seeking to meet its future supply needs with renewable and lower carbon energy solutions, such as those defined in Section 1(1) of the BC’s Clean Energy Act (“CEA”), being biomass, biogas, geothermal heat, hydro, solar, ocean, wind, and any other resource prescribed under the CEA in future. FBC’s service territory is a winter peaking jurisdiction, making projects that can provide capacity and energy between the months of November to March of particular interest.

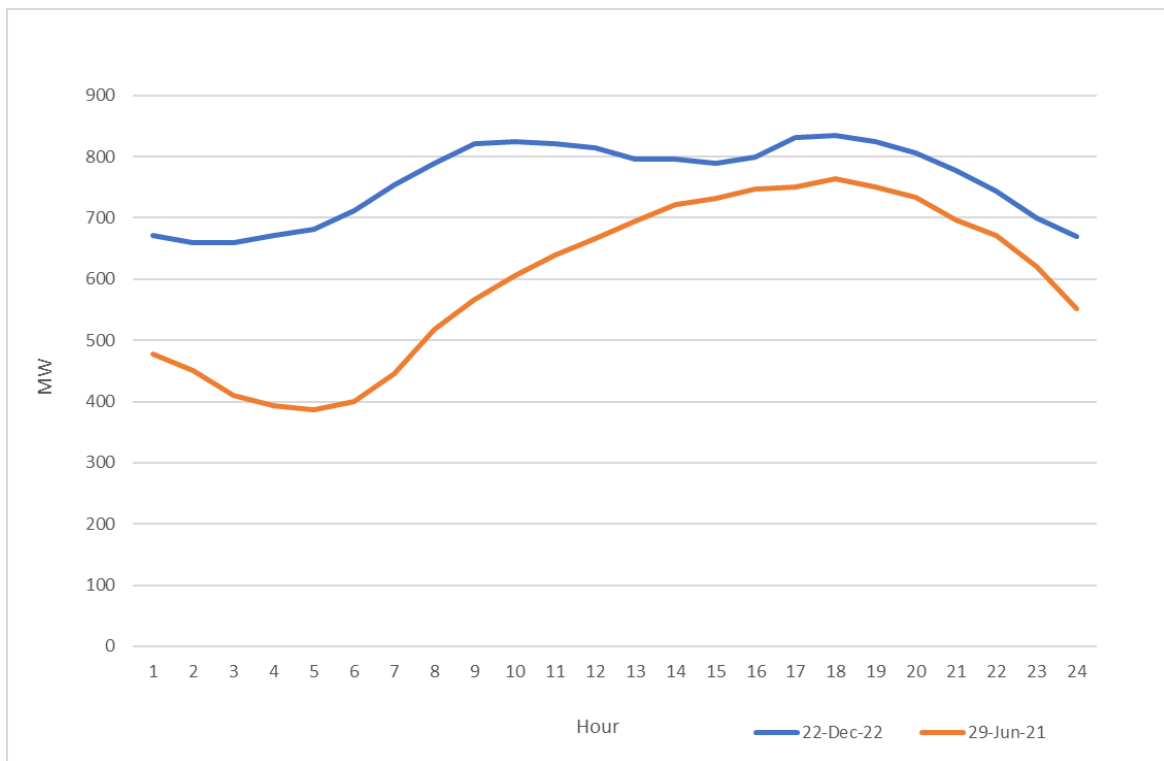
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<sup>1</sup> A glossary of defined terms is included at the conclusion of this document.

<sup>2</sup> <https://www.fortisbc.com/about-us/corporate-information/our-service-areas>.

<sup>3</sup> FBC 2021 LTERP, Section 9, Figures 9-1 and 9-2

## FBC Historical Winter and Summer Peak Hourly Loads<sup>4</sup>



## Purpose of RFEOI

The purpose of this Request for Expression of Interest (“RFEOI”) is to identify lower-carbon or renewable generation projects within or outside FBC’s service territory that a respondent (“Respondent”) to this RFEOI might own, intend to develop, or be in the process of developing. FBC is asking Respondents to provide general, non-binding information about potential or existing projects. FBC wishes to identify projects and proponents that can help meet future energy and capacity requirements on its system according to the needs identified in the LTERP. The information submitted by Respondents may also be used by FBC for the development of a procurement framework as well as to inform its next Long Term Electric Resource Plan.

## Projects of Interest to FBC

FBC is most interested in new or existing projects:

- having a minimum size of 5 MW;
- that are located in BC, but not necessarily in the FBC service territory;
- that reflect a range of long-term supply options, including firm and non-firm capacity and energy;
- that are innovative and may be capable of providing to FBC value-added products, services, or other attributes; and
- are Indigenous-led or have a strong Indigenous equity component.

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<sup>4</sup> Dec 22, 2022 was FBC’s historic winter peak day, June 29, 2021 was the historic summer peak day.

## RFEOI Responses

FBC requests the following in the submissions from Respondents:

- Completion of Appendix A by providing the Respondent's information.
- Responses to questions detailed in Appendix B.

Collectively, a Respondent's completed Appendix A and answers to questions in Appendix B shall constitute the Respondent's RFEOI response ("RFEOI Response"). RFEOI Responses should be submitted in Adobe™ Portable Document Format (".pdf") by emailing the RFEOI Response to [RFEOI\\_Admin@Fortisbc.com](mailto:RFEOI_Admin@Fortisbc.com) on or before the RFEOI Response Deadline. Please note that Appendix A is a writable .pdf that the Respondent needs to complete.

## RFEOI Schedule and Process

FBC expects the RFEOI process to follow the schedule below:

<u>Event:</u>	<u>Date:</u>
Release of RFEOI	Sept 10, 2024
RFEOI Online Information Session	Sept 17, 2024
Question Period	Sept 11 – Oct 14, 2024
Answer Posting Date	Ongoing through Oct 25, 2024
RFEOI Response Deadline	Nov 26, 2024
FBC Review of Responses	Nov 27 – Dec 31, 2024
Optional: Commercially Confidential Meetings	Jan 6 – Mar 31, 2025
Initiate Procurement Process	Apr 1, 2025

FBC may change and/or modify this schedule at any time.

## RFEOI Website

FBC has established a website at [fortisbc.com/newpower](http://fortisbc.com/newpower) to which Respondents and the public will have access during the RFEOI process ("RFEOI Website"). The RFEOI Website will be the primary communications channel between FBC and potential Respondents. The RFEOI Website will also provide access to question-and-answer documents which will include any responses FBC provides to questions and requests for clarification as more particularly described below and other information and links that may be of interest to Respondents.

## Inquiries and Clarifications

It is the Respondent's responsibility to inform itself as to all aspects of the RFEOI requirements and, should any details necessary for a clear and comprehensive understanding be required, to obtain clarification before submitting an RFEOI Response. All inquiries regarding this RFEOI must be submitted by e-mail to: [RFEOI\\_Admin@Fortisbc.com](mailto:RFEOI_Admin@Fortisbc.com) at least two (2) Business Days before the final Answer Posting Date of October 25, 2024. Responses to inquiries and clarification requests will be available to all Respondents on the RFEOI Website. While FBC will endeavour to provide timely responses to all relevant and appropriate inquiries, FBC is not obligated to respond to all inquiries or to provide responses within a specific timeline.

All communication on matters related to this RFEOI must be directed in writing to the contact email noted in the immediately preceding paragraph. Respondents or individual members, employees or other representatives of Respondents must not communicate, or attempt to communicate, directly or indirectly on matters related to this RFEOI or the RFEOI process with any employee or representative of FBC involved in this RFEOI or the RFEOI process.

## **RFEOI Evaluation and Confidential Commercial Meetings**

FBC may, in its sole discretion, request further information or clarification in relation to an RFEOI Response, and/or invite any one or more of the Respondent(s) to participate in a confidential commercial meeting, or meetings, after FBC's review of RFEOI Responses. The purpose of any such confidential commercial meeting will be to give the Respondent and FBC an opportunity to discuss the Respondent's potential project(s) and to give the Respondent the opportunity to provide further information to FBC. FBC will not be obligated to invite any one or more of the Respondents to participate in any such confidential commercial meetings, nor will any Respondent(s) be obligated to participate in any such confidential commercial meeting.

A written notice in the form of a letter to the contact person for a Respondent (as identified in a completed Appendix A) will be issued to any party selected for a confidential commercial meeting.

## **RFEOI Process**

This RFEOI is not a procurement process. It is a process by which FBC can gather information about potential lower-carbon or renewable generation projects that might serve FBC's power supply needs.

Notwithstanding anything else in this RFEOI, FBC is not making any representation or warranty that its issuance of this RFEOI, or consideration of any RFEOI Response, will result in any subsequent procurement or commercial process. FBC is under no obligation whatsoever to initiate any subsequent procurement or other commercial process. Criteria applicable to a subsequent procurement or other related commercial process, if any, will be determined by FBC and communicated in the documents provided by FBC for that procurement process, and nothing contained herein or in any RFEOI Response will oblige FBC otherwise.

This RFEOI, the RFEOI Responses, and any information included therein are not binding on FBC or the Respondents. The RFEOI is not intended to create, and should not be construed as creating, contractual relations between FBC and any Respondent. For greater clarity, neither a bidding contract nor a contract to carry out any work or services arises because of this RFEOI, the submission of an RFEOI Response, or any subsequent discussions between FBC and any Respondent.

## **Conformity of RFEOI Responses**

RFEOI Responses which fail to conform to the format requirements set forth in the Appendices hereto or which fail to conform to any other requirement of this RFEOI may be rejected by FBC. Despite the foregoing or any other provision of this RFEOI, FBC may in its sole and absolute discretion elect to retain for consideration RFEOI Responses which deviate from the format requirements set out in the Appendices hereto or which otherwise fail to conform to any other requirement of this RFEOI, except the requirement of delivery of RFEOI Responses prior to the RFEOI Response Deadline.

## **Accuracy of Responses**

By submitting an RFEOI Response, the Respondent confirms that the information provided in its RFEOI Response is, to the best of its knowledge, complete and accurate.

## **Confidentiality of FBC's Information**

All information provided by or obtained from FBC in any form in connection with this RFEOI either before or after the issuance of this RFEOI: (a) is the sole property of FBC and must be treated as confidential; (b) is not to be used for any purpose other than replying to this RFEOI; (c) must not be disclosed without prior written authorization from FBC; and (d) shall be returned by the Respondents to FBC immediately upon request by FBC.

A Respondent may not at any time directly or indirectly communicate with the media in relation to this RFEOI without first obtaining the written permission of FBC.

## Confidentiality of Respondent's Information

All information collected by FBC under this RFEOI, including in a Respondent's RFEOI Response, will be kept confidential and FBC will not disclose the names of specific Respondents or details of individual projects, without prior written authorization from such Respondent. Notwithstanding the foregoing, FBC may use any such information in the preparation for and conduct of submissions to regulatory agencies or other governmental authorities in connection with this RFEOI.

## Responses Property of FBC

Except where expressly set out to the contrary in this RFEOI or in the Respondent's RFEOI Response, each RFEOI Response and any accompanying documentation provided by a Respondent shall become the property of FBC and shall not be returned.

## Information in RFEOI Only an Estimate

FBC and its advisors make no representation, warranty or guarantee as to the accuracy of the information contained in this RFEOI, the RFEOI Website, or in any addenda to this RFEOI. Any quantities shown or data contained in this RFEOI, or provided by way of addenda, are estimates only and are provided as general background information.

## Respondents' Costs

FBC is not responsible for any costs incurred by Respondents, prospective Respondents, or other interested parties in connection with this RFEOI or with the preparation of any RFEOI Response.

## Reservation of Rights

FBC reserves the right to accept or reject any RFEOI Response, to amend any part of this RFEOI, or to terminate or suspend the RFEOI, all in FBC's sole and absolute discretion, without any obligation or liability (including with respect to compensation or reimbursement) to any Respondent or other interested party.

## No Liability

It is a fundamental condition of this RFEOI and the participation by anyone that FBC will not under any circumstances, including pursuant to contract, tort, statutory duty, law, equity or otherwise, or any actual or implied duty of fairness, be responsible or liable for any costs, expenses, loss of opportunities, claims, losses, damages or any other liabilities to anyone, including to any Respondent, arising out of or related to the any of the following: this RFEOI; attendance at any confidential commercial meeting; the preparation; acceptance or rejection of any RFEOI Response; or the amendment, termination, or suspension of this RFEOI. By submitting a RFEOI Response, Respondents are deemed to have accepted and agreed to the foregoing.

## Glossary

Except as otherwise defined, or unless context otherwise requires, the following terms have the meanings set forth below:

**"Answer Posting Date"** means the date so indicated under the "RFEOI Schedule and Process" heading in this RFEOI;

**"BC"** means British Columbia;

**"BCUC"** means the British Columbia Utilities Commission;

**"Business Day"** means any calendar day that is not a Saturday, Sunday or other day that is recognized as a statutory holiday in BC;

“**CEA**” means BC’s Clean Energy Act;

“**COD**” means commercial operation date;

“**FBC**” means FortisBC Inc.;

“**GWh**” means a gigawatt hour, which is a measure of energy that is equal to 1,000,000,000 watts used over a one-hour period;

“**LTERP**” means FBC’s Long Term Electric Resource Plan;

“**MW**” means a megawatt, which is a measure for power that is equal to 1,000,000 watts;

“**MWh**” means a megawatt hour, which is a measure of energy that is equal to 1,000,000 watts used over a one-hour period;

“**.pdf**” means an Adobe™ Portable Document Format document;

“**POI**” means point-of-interconnection;

“**Respondent**” means a respondent to this RFEOI;

“**RFEOI**” means this Request for Expression of Interest;

“**RFEOI Response**” means a response by a Respondent to this RFEOI in the required form;

“**RFEOI Response Deadline**” means the date so indicated under the “RFEOI Schedule and Process” heading in this RFEOI; and

“**RFEOI Website**” means the website available at [fortisbc.com/newpower](http://fortisbc.com/newpower).