

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

Questions and Answers

October 25, 2024

Questions Received September 10 – October 10, 2024

1. Will slides from the online information session be made available to us?

Yes, the slides will be made available on the RFEOI website at fortisbc.com/newpower.

2. For projects located outside of FBC's service territory, what will be the process for interconnection to the BC Hydro grid?

The interconnection procedure will follow BC Hydro's Open Access Transmission Tariff (OATT) process as the project would be connecting to BC Hydro's transmission system.

3. Is FBC open to projects with the potential to supply power sooner than 2030?

FBC is open to considering projects with the potential to supply power before 2030.

4. For 5 MW+ distributed generation projects outside the FBC service territory, are there any thresholds, or barriers respondents should be aware of?

FBC cannot comment on any thresholds or barriers for distributed generation projects in BC Hydro's service territory.

5. For projects outside the FBC service territory who would pay the tolling or tariff costs?

FBC has not determined how tolling or tariff costs would be treated under a future procurement at this time.

6. Are there any target in-service dates?

Target in-service dates will depend on an understanding of what projects are available, though the current expectation is that FBC will target in-service dates on or around 2030 to the extent possible.

7. What length of Power Purchase Agreement (“PPA”) is FBC interested in?

Exact length of any PPA will be discussed at a later stage based on the planned schedule, however FBC can confirm it is most interested in long-term supply options.

8. Is there a preference for projects in the FBC Service territory?

As stated in the RFEOI overview document, FBC is most interested in projects that are located in BC, but not necessarily in the FBC service territory. However, FBC recognizes that there may be efficiencies in working with projects located directly within its service territory.

9. Can we confirm that a key priority for FBC is November to March capacity?

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.

10. Would FBC be interested in building - transfer type of agreement?

FBC is interested hearing what types of agreements respondents would be interested in. Please include any feedback within the RFEOI response.

11. Is FBC looking for bundled energy and Renewable Energy Certificates ("REC")?

FBC would require environmental attributes be included as part of any future PPA.

12. Do you need to submit an RFEOI to be eligible to apply for the procurement?

Project information submitted into the RFEOI will inform future procurement decision making and therefore FBC encourages proponents to submit whatever information they have on prospective projects to help in decision making. However, this does not prevent entities engaged in ongoing communication with FBC outside of the RFEOI process from continuing their discussions.

13. Will FBC consider stand alone or co-located batteries to meet their capacity requirements?

FBC is interested in all potential options identified in the RFEOI for proposed sites at this time. The need for firming capacity through stand alone or hybrid configurations will depend on future system need analysis.

14. Are there updates pending approval or being made to the FBC connection requirements in consideration of this request? The most recent document is dated from 2019.

FBC does not anticipate making any changes to the current interconnection process. However, changes to the requirements may be considered depending on project size and type. Interconnection requirements will be finalized as part of or prior to any binding PPAs being entered into.

15. Would FBC be open to being part of a larger aggregation opportunity to benefit from economies of scale?

FBC is interested hearing what types of opportunities are available. Please include any information concerning potential aggregation opportunities within the RFEOI response.

16. Will FBC share any information about their system available capacity? Similar to the guidance documents provided by BC Hydro and other system operators to support project siting.

The system map published with the RFEOI provides high level information with respect to FBC's transmission system. FBC may be able to provide additional information to respondents during one-on-one meetings.

17. Does FBC have a preference in terms of technology such as wind or solar?

FBC has no preference in terms of technology outlined in the RFEOI. FBC is interested in understanding the number and types of potentially feasible generation projects available.

18. Is the target of the RFEOI the +100MW by 2030 timeline only or more broadly the 2040 need as well? Is there interest in projects with delivery timelines after 2030?

Yes, there is interest in projects with delivery timelines after 2030. The purpose of providing figures for 2030 and 2040 requirements is to demonstrate both an early need and identify how that need could grow over time. This information is published to help electricity generation providers understand the initial and growing needs as well as the long-term investment potential.

19. Is there any prohibited communication with FBC during the RFEOI?

FBC asks that all communication with respect to this RFEOI process be directed to RFEOI_Admin@fortisbc.com to ensure the RFEOI team can respond to all relevant inquiries, track all responses, and provide consistent information. However, this does not prevent entities engaged in ongoing communication with FBC outside of the RFEOI process from continuing their discussions.

20. For the projects of interest, it's indicated FBC is "most interested" in projects with a minimum 5 MW. Does this mean that projects under 5 MW will not be considered?

Projects of less than 5 MW are of interest to FBC; however, due to their small size it is impractical to include them as part of our overall Long Term Resource Planning process, of which this RFEOI is a part of. Projects of less than 5 MW will be considered by FBC separate from the RFEOI process and can be brought to our attention at any time, though FBC makes no commitment to proceed.

21. Is there potential for the Canada Infrastructure Bank (CIB) to support proposed projects from the RFEOI process?

FBC is currently in discussions with the CIB to potentially support the next stage of the RFEOI process. This support would specifically help Indigenous communities secure capital to fund their equity ownership in successful bids.

22. Is there a way to contact the CIB to discuss the potential for obtaining project financing?

To ensure a transparent and fair process, FBC will provide all available information on potential CIB financing at the next stage of the RFEOI process, including whether direct contact with CIB will be available.

Questions Received October 11 – October 15, 2024

23. Is FBC requesting indicative pricing for the commercial arrangement that respondents are providing in question 8?

FBC is interested in understanding the types of working relationships and commercial arrangements respondents are open to with respect to developing potential projects. Question no. 8 in Appendix B was not intended to request indicative pricing for commercial arrangements.

24. The provided RFEOI timeline estimates that the procurement process will be initiated on April 1, 2025 – if this procurement process ends up being an RFP, do you have any estimates on the timeline of that?

Currently, FBC does not have an estimated timeline for a potential RFP. Please refer to the RFEOI website as it will be updated with any new information, including timelines, as those details become available.

25. Can FBC provide any more details on how they will evaluate the projects & information in this RFEOI to select projects? Will the commercially confidential meetings include pricing evaluation of multiple projects that were “selected”?

RFEOI responses will help inform FBC’s procurement criteria and process development going forward, however projects are not being selected during the RFEOI phase. Furthermore, FBC will not be asking for price information or conducting pricing evaluations during subsequent commercially confidential meetings. Therefore, FBC encourages respondents to submit any relevant information they have on prospective projects to help in decision making. Any subsequent confidential meetings will be intended to clarify information received from submissions to the RFEOI.

26. What quantitative level of Indigenous participation, such as percentage equity, is expected?

FBC appreciates that Indigenous participation preference may vary among Indigenous communities and projects. Therefore, FBC has not established a minimum or maximum Indigenous equity requirement at this time, though it may do so if and when a formal procurement process is initiated.

27. How long will equity need to be held by the Indigenous community partner(s)?

FBC recognizes that Indigenous communities may have differing investment preferences for equity ownership and has not established a minimum period of Indigenous equity ownership at this time, though it may do so if and when a formal procurement process is initiated.

28. How will FBC quantify the benefit of projects within its service territory vs projects that connect via BC Hydro?

At this time, FBC is only interested in understanding the status of projects under development in BC both within their service territory and outside. FBC is currently not in the position to quantify benefits of different connection points.

29. Does FBC have a process to complete a preliminary interconnection assessment of projects within its service territory?

At this time, there is no formal process with respect to the RFEOI for preliminary interconnection assessments.

30. Would FBC accept a project connected to a 3-phase distribution line rather than transmission line? If so can FBC make available a map of its distribution network.

Interconnection to a 3-phase distribution line would be considered. At this time, FBC is not considering publishing a map of their distribution network but will take the request under advisement for any future procurement process that is initiated.