IMBALANCE RETURN Revised Calculation as of Nov 2018



Availability

- The Midstream group within FortisBC is responsible for determining the availability of the Imbalance Return
- Imbalance return is an interruptible service
- What this means is that when colder weather occurs, FortisBC reduces or eliminates the availability of this service as needed
- Typically in normal weather circumstances, the following amounts are available by region:

Lower Mainland: 20,000GJ

Interior: 40,000GJ

Columbia & East Kootenay: 10,000GJ



How this service is applied...

 The amount allocated from Imbalance Return factors into the daily balancing tolerance requirement of 10% (under normal conditions)

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Example:

10,000GJ (Physical Supply at the Interconnect)

+2,000GJ (Imbalance Return Allocation)

12,000GJ Gross this volume up by 10%...

13,200GJ
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 In the above example, when Demand is greater than 13,200GJ, balancing surcharges will apply

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$0.25/GJ in the 10-20% tolerance range (annual charge)
$0.30/GJ (summer) and $1.10/GJ (winter) above the 20% tolerance
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Imbalance Return – new calculation explained...



- The Imbalance return allocation is <u>not</u> based on the nominated/requested amount
- Shippers/Marketers must place an imbalance return nomination to receive their allocated amount
- Imbalance return is allocated based on the <u>percentage</u> of the Shipper/Marketers average customer demand relative to the total average demand at the Lower Mainland, Interior and Columbia/EKE receipt points
- The calculation is done 2 days prior to the beginning of each month based on the previous 30 days of average customer consumption (it is recalculated each month)
- The calculated amount will apply for the entire month
- Marketers can view their allocated amount in the SCH QTY field in the nomination screen
- When total amount available is amended, 40,000GJ to 20,000GJ for example, revised allocated amounts will be calculated based on the original percentage deduced at the beginning of the month

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Imbalance Return – new calculation example...

Imbalance return is available in the Lower Mainland and Interior

Percentage allocation based on 30 day average customer demand and total demand

	1	1
lainland/	Average 30 Day	

Lower Mainland/	Average 30 Day		Allocated
Interior	Demand	% Allocation	Amount
Marketer A	15,000	29%	11,538
Marketer B	7,500	14%	5,769
Marketer C	2,000	4%	1,538
Marketer D	1,500	3%	1,154
Marketer E	6,000	12%	4,615
Marketer F	8,000	15%	6,154
Marketer G	12,000	23%	9,231
Total Demand	52,000		40,000

Amounts allocated based on percentage and amount available

Total amount available at the location



Final Notes

Notices issued by FEI

- Ensure your company contacts are up to date on FEI's distribution list
 Industrial Billing
- For billing questions, contact: lndustrial.billing@fortisbc.com
 Or 855-873-8773

Transportation Rate Schedules

Are located <u>here</u>

Signing up a new customer?

 Intent to Purchase forms are located in the <u>Other helpful business</u> resources

Questions regarding the Transportation Service Option?

Contact us at <u>Transportationservices@fortisbc.com</u>
 Or 604-592-7799

