

Important Notice: Rate Design Decision Reminder, SCP Peaking & EKE Entitlements

September 9, 2019

On July 20, 2018, FEI received a Decision on the 2016 Rate Design Application in Order G-135-18.

<https://www.ordersdecisions.bcuc.com/bcuc/decisions/en/item/316310/index.do>

The Decision approved the following changes for all transportation customers' Rate Schedules as were proposed in the Application:

- Eliminate monthly balancing and implement daily balancing for all transportation customers. *Rate Schedules 22 and 22A are currently daily balanced rate schedules.*
- Reduce the daily balancing tolerance to a 10 percent threshold and to introduce a balancing charge of \$0.25/ gigajoule (GJ) for gas supply shortfalls within a 10 to 20 percent tolerance level. *The existing balancing charge of \$1.10/GJ in winter and \$0.30/GJ in summer for gas supply shortfalls beyond the 20 percent tolerance level remains the same.*

With the exception of Rate Schedule 22B customers, the Commission directed FEI to implement the above balancing provisions and rules in Q4 of 2018. Given this, FEI implemented the approved balancing provisions to transportation customers located in the Lower Mainland and Interior effective **November 1, 2018**.

For **Rate Schedule 22B** customers, the Commission directed FEI to implement the approved balancing provisions effective **November 1, 2019**. Given this, Rate Schedule 22B customers located in Cranbrook, East Kootenay, Elko, Fernie, Galloway, Sparwood and Yahk will be daily balanced and adhere to the reduced balancing tolerance of 10% effective November 1, 2019.

With these amendments, all transportation customers in the Lower Mainland (inclusive of Vancouver Island), Interior and Columbia regions will be subject to the same set of balancing rules.

With respect to the annual **SCP Peaking quantities and EKE Entitlements**, we are currently number crunching and hope to issue these towards the end of September. For more information regarding these entitlements, see the summary documents under the 'Other helpful business resources' section of our web site, or refer to related sections in the transportation rate schedules.

For future reference, this notice will be included in the SAP and WINS notices section of our web site: <https://www.fortisbc.com/NaturalGas/Business/TransportationServiceOption/TransportMarketersActivities/Pages/default.aspx>

Thanks,
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