

Notice: FortisBC Operational Update

October 11, 2018

Enbridge Pipeline has been authorized by the NEB to put their 30-inch natural gas line back in service after completion of safety testing effective today. Their 36-inch gas line remains out of commission. Enbridge has issued notice of T-South allowances for both October 11 and 12, and indicated that changes in operating conditions may result in the capacity being recalled on any cycle. There is no timeline or indication for the restoration of full service on Enbridge's system.

On October 10, 2018, FortisBC Energy Inc. gave notice of a Force Majeure event. The Force Majeure remains, but as there is some gas flowing on Westcoast, effective immediately transportation customers with **firm** service on Fortis' system are allowed to resume business. Customers with firm service include those under Rate Schedules 23 and Rate 25, and customers under Rate Schedule 22 that hold a contracted firm DTQ. Your customers were contacted directly via telephone this afternoon and were provided with this update. Customers on a fully interruptible contract, such as those on Rate Schedule 27 are not permitted to resume business on October 11 and 12.

As Enbridge and FortisBC remain under Force Majeure, Fortis will be holding all customers to a Hold to Authorized effective Saturday, October 13 until further notice. Interruptible customers on Rates 22 and 27 are allowed to resume business effective October 13 and will therefore be included in the Hold to Authorized restriction. This restriction will impact all customers in the Lower Mainland, Vancouver Island, and the Interior. Marketers must bring in enough direct supply to cover the entire customer group demand in order to avoid charges.

If a Shipper or Group takes gas in excess of the authorized quantity, <u>unauthorized overrun charges</u> will apply. The first 5% of gas taken over the authorized quantity will be charged to the Shipper or Group at the Sumas Daily Price. Gas taken in excess of 5% of the authorized quantity will be charged the greater of CAD \$20.00 per gigajoule or the Sumas Daily Price times 1.5.

Imbalance return remains at zero until further notice.

If you have any questions, please email us at <u>TransportationServices@fortisbc.com</u> or call the Hotline at 604-592-7799.

This posting will be appended to the news flash section of our web site for your reference: https://www.fortisbc.com/NaturalGas/Business/TransportationServiceOption/TransportMarketersActivities/Pages/default.aspx

Transportation Services FortisBC Energy Inc. 604-592-7799