

Notice: Hold to Authorized and Imbalance Return Update

October 23, 2018

As you are aware from our Operational Updates and prior communications, on October 10, 2018, FortisBC Energy Inc. declared a Force Majeure event under various Rate Schedules in the Lower Mainland and Interior due to a declaration of force majeure by a Transporter (Westcoast Energy Ltd.).

The Force Majeure remains, but there is now some gas flowing in the Westcoast Energy Inc. pipe. As of October 13, 2018, effective 7 am PDT, each Shipper in the Lower Mainland and Interior was held to their Authorized Quantity of Gas or, in the case of a Group, the Group was held to the sum of the Authorized Quantity of the Shippers in the Group.

Further to the update provided last Friday morning on October 19, this notice is to advise that Imbalance return will remain available for Shippers in the Lower Mainland and Interior until and including October 31. Each applicable Shipper received an allocated volume of Imbalance Return based on their percentage load. Allocated volumes remain the same, and will be updated in the system retroactively. The release of Imbalance Return enables applicable Shippers to use a portion of their inventory as a source of daily supply in addition to the physical supply arrangements made at the interconnect. Shippers or the Group, as applicable, will be held to the sum of the Authorized Quantity (direct supply from the interconnect), the amount of supply from imbalance return determined by FortisBC and supply from SCP Peaking Gas.

If a Shipper or Group, as applicable, takes Unauthorized Overrun Gas (i.e., Gas in excess of the amount specified above), then unauthorized overrun charges will apply per the applicable Rate Schedule. Specifically, the first 5% will be charged at the Sumas Daily Price. Gas taken in excess of 5% will be charged the greater of CAD \$20.00 per gigajoule or the Sumas Daily Price times 1.5.

FortisBC reserves the right to limit the use of imbalance return or otherwise curtail service. FortisBC will provide as much advanced notice as possible in the event of changes.

If you have any questions, please email us at TransportationServices@fortisbc.com 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>

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