



**LETTER L-61-12**

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**VIA EMAIL**

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October 19, 2012

Ms. Diane Roy  
Director, Regulatory Affairs – Gas  
FortisBC Energy Inc.  
16705 Fraser Highway  
Surrey, BC V4N 0E8

Dear Ms. Roy:

Re: FortisBC Energy (Vancouver Island) Inc.  
Sooke Main Extension Update Report

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By Letter L-19-12 dated March 22, 2012, the British Columbia Utilities Commission (Commission) requested FortisBC Energy Inc. (FEI) and FortisBC Energy (Vancouver Island) Inc. (FEVI) (collectively, the Companies) to provide main extension (MX) performance updates to the Sooke MX. The Commission noted that the Companies have not provided updates on actual consumption or use per customer on the Sooke MX.

In its letter to the Commission dated March 30, 2012, the Companies submitted that the Sooke project is a project for which a Certificate of Public Convenience and Necessity was sought and granted and is not a main extension, and therefore, not part of the MX Report requirements. The Companies proposed to meet with Commission staff to determine what information, if any, is to be provided regarding Sooke, and that any such process to provide such information be separate from the annual MX reporting.

On July 31, 2012, the Companies filed the FEI-FEVI Main Extension Report for 2011 Year End (2011 MX Report). The 2011 MX Report indicated that the Companies and Commission staff agreed that any information on the Sooke Main Extension would be requested through a separate process.

On November 26, 2008, Terasen Gas (Vancouver Island) Inc. (as FEVI was formerly known) filed with the Commission the Sooke Main Extension 2008 Annual Report (2008 Sooke MX Report). The Commission notes that the 2008 Sooke MX Report for the most part indicated unfavourable performance. In the 2008 Sooke MX Report, FEVI stated:

“...With continued and expanded efforts in marketing and sales, it is expected that the forecast additions will be achieved over the next few years. The majority of the additions will come from the subdivisions which are currently in progress. The Company remains optimistic, however, recognizes that the expected slowdown in the economy will impact the rate of subdivision development and new attachments.”

Given the optimistic forecast of additions and customer use by FEVI in 2008, the Commission considers that updated information would be useful to provide further actual experience of the Sooke MX. This request is being made pursuant to sections 23 and 24 of the *Utilities Commission Act*; the Commission has general supervision of all public utilities and must make examinations and conduct inquiries necessary to keep itself informed.

Accordingly, the Commission requests the Companies to file an updated report with most recent data to the Sooke MX. The updated report is to include information pertaining to: (i) costs, (ii) attachments, (iii) consumption, and (iv) use per account, by rate class and by each year with cumulative totals. This information was filed in the 2008 Sooke MX Report tables. The report update should include explanations with additional details to any unfavourable results and any other information that the Companies consider relevant to this review.

The Companies are requested to file with the Commission the updated report on the Sooke MX by November 30, 2012.

Yours truly,

Erica Hamilton

LC/sk